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HOLDOVER COMMITTEE OF 1949
to the
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TERRITORY OF HAWAII

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Prepared by the
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JUL 09 2019
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PART I
ORGANIZATION AND FUNCTIONS
OF THE HOLDOVER COMMITTEE
OF 1949

Chapter I

ESTABLISHMENT AND ORGANIZATION OF THE HOLDOVER COMMITTEE

PURPOSES AND POWERS OF COMMITTEE The Holdover Committee of 1949 was established by Act 61 (Series E-312) of the regular session of the Twenty-fifth Legislature of the Territory of Hawaii. Like similar bodies created in the Territory as far back as 1923, the Holdover Committee of 1949 was created to perform investigatory duties during the period between the biennial sessions of the legislature.¹ Unlike most of its predecessors, however, the Holdover Committee of 1949 was assigned a large volume of measures for study and was allotted sufficient funds to enable it to secure a full-time staff for continuous functioning over its life. By terms of the act creating it, the Committee was, inter alia, empowered to subpoena witnesses, hold hearings, and require testimony and the production of records pertaining to its investigations; to adopt and amend its rules of procedure; to employ assistants; to establish subcommittees and advisory committees; to appear before the Congress of the United States; to formulate its findings and recommendations; and to report them to the next ensuing legislature.

The Committee was specifically instructed to investigate two major subjects: (i) means of attaining statehood for Hawaii; (ii) the operating efficiency of the territorial government and its political subdivisions. It was generally authorized:

- (a) To examine the effect of previously enacted statutes;
- (b) To conduct research in the field of government toward the end of comparing and improving legislation, legislative processes, legislative enforcement, and public administration generally;
- (c) To cooperate with the administrative officials in devising means of enforcing the law and improving the effectiveness of administrative methods;
- (d) To investigate, and assemble and compile information or data regarding proposed legislation for the Territory and its inhabitants referred to it by the said twenty-fifth legislature.

¹The 1923 holdover committees were created by resolution in each chamber of the legislature. The House committee was authorized to "inspect, investigate and study the conditions in all departments of the government of the Territory and its political subdivisions, . . . and to render a report with its recommendations . . ." The purview of the Senate committee was limited to territorial finances. In the ensuing 14 years special committees were established to consider specific problems between legislative sessions -- e.g. education, Hansen's disease, fire insurance rates, etc. -- but no general interim committees were provided until 1937, when the Senate and House of Representatives each created its own holdover committee, endowed with broad investigatory powers. This pattern was also followed by the regular sessions of 1939 and 1943, although at the special session of 1941 two joint Senate-House committees had been created.

Bills passed by the legislature to establish interim committees were pocket vetoed by the governor in 1945 and again in 1947. At the latter session the legislature then attempted to create holdover committees by single-house resolutions in anticipation of the pocket veto, but their power to act was questioned by the territorial attorney general, who was of the opinion that a statute was necessary to authorize the creation of a committee which would function after adjournment of the legislature.

In accordance with the last-named function, 68 bills, resolutions and communications were referred to the Holdover Committee for study by the regular session of 1949, 35 by the special session of 1949, and 6 by the special session of 1950 -- a total of 109 measures. In addition, 8 miscellaneous communications were received by the Committee and referred to its various subcommittees for study.

MEMBERSHIP AND ORGANIZATION OF COMMITTEE

Under the provisions of the act creating it, the Committee was to function as a joint body of both houses of the legislature. Eight senators and 12 representatives were appointed to the Committee.² Bi-partisanship was sought by limiting the number of members of any one political party appointed to the Committee to five from the Senate and eight from the House. A balance in the representation of the two chambers was obtained by assigning to each senate member the equivalent of three votes and to each house member two votes, for purposes of voting on the officers and procedures of the Committee.

Senators Manuel R. Agular, Jr., Toshi Ansai, Neal S. Blaisdell, Ben Dillingham, William H. Heen, Herbert K. H. Lee, William J. Nobriga, and Charles H. Silva were appointed by Senate President Wilfred C. Tsukiyama. Senator Blaisdell, named in place of Senator Thelma Akana Harrison (who was originally appointed, but who resigned because of her absence from the Territory) was himself compelled to resign in September, 1950 on account of poor health.

Representatives Joseph G. Andrews, Alfred Afat Apaka, Allan H. Ezell, Hiram L. Fong, Joseph Itagaki, Charles E. Kauhane, Noboru Miyake, Steere G. Noda, Hebden Porteus, Akoni Pule, Esther K. Richardson, and Thomas T. Sakakihara were designated as the committee members for the House of Representatives. Representative Andrews died in June, 1950 and Representative Joseph Yamauchi was appointed to fill the vacancy. During the period of the constitutional convention, April to July, 1950, Representative Walter F. McGuire replaced Representative Porteus, who was serving as secretary to the convention, as chairman of the Subcommittee on Statehood.

The organization of the Holdover Committee was perfected in July, 1949. Senator William H. Heen and Representative Hiram L. Fong were elected, respectively, to the chairmanship and vice-chairmanship of the Committee for the first half of its term, these two legislators to exchange their committee offices during the last half of the term. Under this arrangement, Senator Heen served as chairman from July 12, 1949 to February 26, 1950, when Representative Fong assumed the chairmanship.

STANDING SUBCOMMITTEES

After considering alternative methods of procedure, the Committee resolved itself, for purposes of study and investigation of the various proposals referred to it, into the following nine subcommittees: Civil Service, Classification, and Retirement; Education; Governmental Efficiency; Harbors, Airports, and Public Utilities; Hospitals and Medical Care (later expanded to include Welfare); Public Lands and Housing; Statehood; Substantive; and Un-American Activities.³ The basic plan of Committee procedure was for bills and other matters accepted for investigation to be

²Act 61 established the following pattern of geographical representation on the Holdover Committee. Senate: four from third district; two from first district; one from each of the other senatorial districts. House of Representatives: at least one member from each representative district.

³The membership of each subcommittee is set forth in Part II.

assigned to the appropriate subcommittee for study. The number of measures and communications referred to each subcommittee is shown in the following table. Upon completion of its investigation, the subcommittee reported its findings and recommendations to the entire Holdover Committee for such action as it deemed proper.

Table 1

MEASURES AND COMMUNICATIONS REFERRED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES TO THE HOLDOVER COMMITTEE OF 1949, SHOWING NUMBER REFERRED TO EACH SUBCOMMITTEE

Subcommittee	Reg. Sess. 1949		Spec. Sess. 1949		Spec. Sess. 1950		Miscellaneous Communi- cations	Total
	Referred by:		Referred by:		Referred by:			
	Senate	House	Senate	House	Senate	House		
Civil Service	8	24	2	3	--	--	1	38
Education	2	--	--	2	--	--	1	5
Governmental Efficiency	6	4	3	4	--	--	1	18
Harbors and Airports	4	2	1	1	--	--	--	8
Health and Welfare	3	2	--	2	--	--	--	7
Public Lands	2	3	1	2	1	--	--	9
Substantive Matters	4	1	10	3	2	--	5	25
Un-American Activities	--	2	1	--	--	--	--	3
Not Referred	1	--	--	--	2	1	--	4
TOTAL	30	38	18	17	5	1	8	117

Note: No measures were referred to the Subcommittee on Statehood, which functioned, with the Constitutional Convention of 1949, to advance statehood for Hawaii. (See Chapter IX, infra.)

**SPECIAL
SUBCOMMITTEES**

During the life of the Holdover Committee, problems arose in the community which came before the legislative body, but which did not conveniently fit into the pattern of subcommittee assignments. As a result, the following ad hoc subcommittees were established to inquire into these areas of special interest: fire prevention in public buildings, and the construction of the Nuuanu highway. As each of these special subcommittees completed its work (which, along with that of the regular subcommittees, is summarized in Part II), it suspended activities until making a final report to the Holdover Committee.

**ADVISORY
GROUPS**

Several subcommittees found it advantageous to obtain the counsel of citizens conversant with the subjects under study. To obtain this counsel, advisory committees were appointed to meet with the subcommittees, consider proposed legislation, and make recommendations. Such advisory groups were established by the subcommittees on Civil Service, Classification, and Retirement; Education; Governmental Efficiency; and Hospitals, Medical Care, Health, and Welfare. (See Chapters III, IV, V, and VII for the membership of each of these groups.)

**COMMITTEE
APPROPRIATION
AND STAFFING**

The act creating the Holdover Committee appropriated \$150,000 to finance its needs, including the reimbursement of travel, subsistence, and other necessary expenditures incurred in the performance of their duties by Committee members, who served without other compensation. (In addition, \$23,182, being the unexpended balance of the sum appropriated for expenses of the Twenty-fifth Legislature, was available to the Holdover Committee to meet its expenses. None of this sum, however, was utilized.) This appropriation enabled the Committee to hire a research and clerical staff to serve it and its several subcommittees. The staff of the Holdover Committee proper included a chief clerk, two assistant clerks, an accounts clerk, two stenographers, and three printing clerks and custodial employees. Subcommittees were served by a research director and two assistant research directors, five full-time stenographers and typists, and three part-time clerks. Temporary personnel were hired from time to time to assist in peak-load typing, to sort and gather mimeographed materials, etc.⁴

**RESEARCH
FACILITIES**

In addition to its own staff, the Holdover Committee utilized research facilities of other agencies. The Legislative Reference Bureau was by statute designated as the secretariat of the Committee, and the Bureau on a continuing basis provided governmental survey and research services to the various subcommittees. A transfer of funds was made to the Bureau to enable it to supplement its staff to meet the needs of the Holdover Committee.

A private agency specializing in insurance surveys was engaged to study and report on the Territory's plan of self-insurance and to devise improved means of self-insurance. (See Chapter V). The services of a land economist of the University of Hawaii, Dr. Erich O. Kraemer, were obtained. Dr. Kraemer served as researcher and consultant for the Subcommittee on Public Lands and Housing.

Bills incorporating the suggestions of the Subcommittees were prepared with the assistance of several territorial agencies. In particular, drafting services were furnished by members of the attorney general's staff and members of the Legislative Reference Bureau.

⁴Listing of staff personnel and an accounting of the Holdover Committee's expenditures are made below in Chapter XIII.

Chapter II

ACTIVITIES OF THE HOLDOVER COMMITTEE

The period in which the Holdover Committee of 1949 conducted its work, from July, 1949 to November, 1950, was perhaps the most active -- in terms of civil functions -- in the history of the Territory. Over this span of sixteen months there were two special sessions of the legislature; a constitutional convention of four months' duration, at which nine of the Committee's twenty members served as delegates; and a continuing drive for statehood in which Committee members took leading parts.

SPECIAL SESSION OF 1949 Organization of the Committee occurred under crisis conditions. By July 12, 1949, when the Committee elected its officers and formed its subcommittees, the labor dispute between the longshoremen and the waterfront shipping companies had remained unsettled for two and one-half months. When it became evident that the dispute would be further prolonged and be of great cost to the economy of the Territory, the Committee met over a period of two weeks to consider legislation which might help to end the industrial controversy. Upon recommendation of the Committee, the governor called the legislature in special session on July 26.

After the adjournment sine die of the special session of 1949 on October 15, the Holdover Committee resumed its investigating activities. It was then that the Committee began most of its major studies and established the aforementioned special subcommittees to consider the controverted Nuuanu highway, and to investigate fire hazards in public buildings.

CONSTITUTIONAL CONVENTION Within a few months, however, the formation of a convention to draft a constitution for the proposed state of Hawaii occupied an increasing proportion of the time and energies of Holdover Committee members. A majority of the members stood for election to the convention and participated in the widespread public discussion concerning the state constitution which occurred during the primary election and the final election of convention delegates, in February and March, 1950.

In addition to the eight members of the Holdover Committee who served as delegates, other members closely followed the deliberations of the convention and took part in its many public hearings. As a result, many Committee functions were subordinated to the work of the constitutional convention between its opening on April 4 and the adjournment on July 22, 1950.

STATEHOOD DRIVE One mandatory function of the Committee was, however, pursued during this period. HR 49, the enabling act for Hawaii, was being considered by Congress as the constitutional convention was meeting. At the request of the president of the convention, a majority of the members of the Holdover Committee appeared in Washington along with (other) convention delegates, to testify with members of the Hawaii Statehood Commission on the question of statehood before the Senate committee on interior and insular affairs.

SPECIAL SESSION OF 1950 After the signing of the proposed state constitution on July 22, the subcommittees of the Holdover Committee resumed their several investigations and began drafting and revising measures for recommendation to the next legislature. However, the drive for statehood soon caused the legislature to be again called in special session -- on September 29, 1950 -- to consider the drafted constitution which was to be submitted to the people at the forthcoming general election.

The second special session of the Twenty-fifth Legislature adjourned *sine die* on October 13, 1950. The subcommittees of the Holdover Committee thereupon intensified their activities to complete their investigations and prepare their reports before the expiration date of the Committee, November 7, 1951 -- the date of the general election.

NUMBER OF MEETINGS Over its existence, the Holdover Committee of 1949 met in plenary session 20 times. Its nine standing subcommittees and two special subcommittees held a total of 142 meetings, while the advisory groups formed to assist several of these subcommittees met at least 30 times.¹ In the aggregate, then, meetings of the Holdover Committee of 1949 and its constituent groups totalled 192 or more.

Table 2

MEASURES RECOMMENDED TO TWENTY-SIXTH LEGISLATURE
BY HOLDOVER COMMITTEE OF 1949, BY SUBCOMMITTEE

<u>Subcommittee</u>	<u>Bills</u>	<u>Joint Resolutions</u>	<u>Concurrent Resolutions</u>	<u>Total</u>
Civil Service	5	--	--	5
Education	2	--	--	2
Governmental Efficiency	12	1	--	13
Health and Welfare	6	1	--	7
Public Lands	24	13	5	42
Substantive Matters	10	--	--	10
Un-American Activities	1	--	--	1
Fire Prevention	2	--	--	2
TOTAL	62	15	5	82

MEASURES RECOMMENDED TO LEGISLATURE Eighty-two measures -- including 62 proposed bills, 15 joint resolutions, and 5 concurrent resolutions -- were recommended by the Holdover Committee for consideration by the Twenty-sixth Legislature. These measures tabulated above according to subcommittee proposing them, are summarized hereinafter.

¹It was not possible to obtain an exact count of all meetings of these advisory groups, whose discussions were occasionally conducted informally.

PART II

RECOMMENDATIONS AND PROPOSALS OF THE HOLDOVER COMMITTEE OF 1949

The work of the various subcommittees is summarized in the several chapters of the following section of this report. Findings and recommendations of each of the nine standing subcommittees are presented first, followed by brief descriptions of the findings of the special subcommittees which prepared studies for the Holdover Committee. In each of the chapters of Part II, the following arrangement is followed:

- 1.) A brief summary of the subcommittee's recommendations.
 - a.) Measures recommended for favorable consideration by the legislature.
 - b.) Measures recommended to be filed.
 - c.) Measures transmitted without recommendation (where such occur).
- 2.) Digests of recommended measures.
- 3.) Digests of other recommendations.

Throughout the ensuing discussion, measures referred to the Holdover Committee by the regular legislative session of 1949 are designated by number only -- e.g. HB No. 1098. Measures referred by either the 1949 or the 1950 special session are so designated by a notation in parentheses -- e.g. SB No. 16 (2nd spec. sess.).

The disposition of all measures referred to the Holdover Committee of 1949 is shown in the appendix attached to this report.

Chapter III

SUMMARY OF RECOMMENDATIONS AND DIGEST OF PROPOSALS OF SUBCOMMITTEE ON CIVIL SERVICE, CLASSIFICATION, AND RETIREMENT

The Subcommittee on Civil Service, Classification, and Retirement was composed of the following nine legislators: Senator Herbert K. H. Lee, Chairman; Senator Toshi Ansai; Senator Ben Dillingham; Representative Charles E. Kauhane; Representative Noboru Miyake; Senator William J. Nobriga; Representative Steere G. Noda; Representative Esther K. Richardson; and Representative Joseph Yamauchi (replacing the late Representative Joseph G. Andrews).

This Subcommittee, meeting in 15 separate sessions, four of which were public hearings, reported separately on proposed legislation concerning civil service, classification, and the public employee retirement system. In order to obtain the counsel of citizens informed in the area of classification and salary matters, an advisory group was formed, consisting of the following 11 persons: Representative Jack P. King, Chairman; Arthur A. Akina, Jr.; W. T. Atkinson; Ernest K. Kai; Charles R. Kendall; Harry B. Kronick; James R. McDonough; John A. Owens; Nolle R. Smith; T. G. S. Walker; and Leslie J. Watson. This advisory committee held six meetings.

Having considered a total of 37 measures, the Subcommittee presented a series of recommendations within each of its three study areas, supplemented by the drafts of five proposed bills. Recommendations and proposals are summarized below.

Summary of Subcommittee Recommendations

1.e Civil Servicee

A.e The Subcommittee on Civil Service, Classification, and Retirement recommended favorable consideration by the legislature of:e

- 1.e An omnibus civil service bill (Proposal No. 1), which follows the general pattern of existing law and also includes provisions recommended by the Nationale Civil Service League.e
- 2.e Permitting accumulation of employees' leave up to a maximum of 75 days instead of the present 54 days (Proposal No. 2).e
- 3.e Establishing ten new staff positions in the office of the territorial civil servicee commission. This recommendation is based upon extensive comparative data included in the report of the Subcommittee. Cost of proposed new positionse per biennium: \$59,555, exclusive of bonus.e

B.e The Subcommittee recommended that the following measures be filed:e

- 1.e SB No. 459 -- Elimination of personnel classification board.e
eSJR No. 36 -- Public service training program at University.e
- 2.e HB No. 152 -- Protection of civil service employees in their right of politicale activity.e
HB No. 168 -- Dismissal and reinstatement of employees.e
HB No. 172 -- New civil service commissioners; appeal board.e
HB No. 202 -- Enlargement of territorial civil service commission.e

HB No. 399 -- Seniority in civil service promotions.
HB No. 400 -- Maximum probationary period.
HB No. 494 -- Civil service eligible lists and appointments.
HB No. 739 -- Director of personnel -- City-County of Honolulu.
HB No. 804 -- Civil service: dismissal and reinstatement.
HR No. 71 -- Civil service: requesting information re waiver of requirements.
HJR No. 4 -- University public service training program.
HB No. 50 (1st spec. sess.) -- Civil service: accumulated vacation.

3.e Dept'al Communication No. 90 -- training of local persons for certain positions.e

All the above measures were considered by the Subcommittee in preparation of its recommendations.e

II.e Public Employee Retirement Systemse

A.e The Subcommittee recommended favorable consideration by the legislature of:e

1.e A bill including per diem workers and members of the legislature within thee employees' retirement system (Proposal No. 1).e

2.e A bill providing for a revised ordinary death benefit (Proposal No. 2).e

B.e The Subcommittee recommended that the following measures be filed:e

1. SB No.e 7 -- Membership in the employees' retirement system.
SB No.e 9 -- Death benefits in the employees' retirement system.

2.e HB No. 683 -- Retirement age of public employees.e
HB No. 980 -- Civil service: retirement system.e
HB No. 1032 -- Civil service: death benefits.e
HB No. 1056 -- Police disability retirement.e
HB No. 1144 -- Civil service death benefits.e

SB Nos. 7 and 9 and HB No. 1144 were covered in above recommendations.e
Reasons for filing other bills were given in full report of Subcommittee.e

III. Classification

A.e The Subcommittee on Civil Service, Classification, and Retirement recommendede favorable consideration by the legislature of:e

1. A one-grade spread in compensation to be maintained between all departmente heads and first deputies of the respective departments and to be establishede by increasing the compensation of department heads by legislative act wheree necessary.e

B.e The Subcommittee recommended that the following measures be filed:e

1. SB No. 320 -- Sick leave.e
SB No. 460 -- Salary standardization plan.e
SB No. 642 -- Public employees' salaries: increase and bonus.e
SR No. 75 -- Civil service investigation.e
SCR No. 7 (1st spec. sess.) -- Civil service: acceptance of certain applications.e

2. HB No. 59 -- Classification of professional employees in department of public instruction.e
 HB No. 401 -- Periodic wage surveys of public employees.e
 HB No. 931 -- Salary increment and efficiency rating.e
 HB No. 1160 -- Civil service: rating plans.e
 HJR No. 8 -- Civil service: reclassification directed.
 HR No. 24 -- Civil service: requesting information concerning classification of certain positions.
 HB No. 132 (1st spec. sess.) -- Back salary for Setsu Okubo.
 HB No. 112 (1st spec. sess.) -- Retirement system: free hospital and medical care.
 HR No. 19 (1st spec. sess.) -- Civil service investigation.
- 3.e Department Communication No. 1495 (July 27, 1950) -- Re compensation of department heads and first deputies.e

- C.e The Subcommittee submitted the following measures and proposals for transmission to the legislature:e
- 1.e A bill similar to SB No. 460 creating a salary standardization board and enacting a compensation plan (Proposal No. 1) together with the proposals made in the report of the advisory committee on classification. (See digest of reports below.)e
 - 2.e As an alternative to the above measure and proposals, a classification and compensation bill prepared by the Hawaiian Government Employees' Association (not a Holdover Committee bill) which embodies the substance of the report of the advisory committee on classification and the subject matter of SB No. 931, relating to salary increments and efficiency ratings.e

Digest of Recommended Measures

I.e Civil Servicee

Proposal No. 1 -- CONCERNING CIVIL SERVICE ORGANIZATION. Creates a department of civil service, headed by a personnel director and a three-man, bi-partisan commission. Director appointed by governor (instead of by commission as at present) from top five on list of eligibles to be established by special examining committee. Lifts administrative responsibilities from commission and gives them to the director.

Makes commission a public interest "watch-dog" body, an advisory group to the governor and the director, an investigatory board, and an appeals body (decisions to be final). Hears appeals against all acts of the personnel director as well as those regarding dismissals, demotions, suspensions, and performance ratings; may require reinstatement of dismissed employee whose appeal is upheld or may otherwise modify the penalty. Provides commissioners with travel expenses and, in addition, \$10 per day salary while hearing appeals, with \$100 monthly maximum. (Present salary: None.) Continues prohibition of political activities by the commissioners.

Makes director responsible for entire administration of the department, including the establishment of an in-service training program and the exercising of "leadership" to develop personnel administration and employee efficiency throughout the classified service. All actions of director are final, subject only to appeal to the commission. Retains director as secretary of the commission and allows him to appoint a deputy and designate subject matter consultants from territorial officers and employees.

Retains all existing exemptions from classified service, except one top deputy in each department no longer to be exempted; adds exemption of certain persons in the division of hospitals and settlements by reason of their religious membership.

Civil service rules and regulations to be prescribed by the director and to have force and effect of law upon public hearing before commission and approval by the governor. Provides more comprehensive legislative requirements for these rules and regulations. Outlines examination procedures in greater detail. Establishes "rule of (top) five" in place of present rule that all persons passing examinations are eligible for employment. Retains existing control of political activities and civil service position rights. Excludes certain criminal persons from service. Defines probationary periods (less exactly than at present), provisional appointments, temporary appointment, and reemployment rights. Establishes new leave provisions including sabbatical leaves (of one year, after eight years of service and after two continuous years in department). Provides for exchange of employees between the Territory and the counties and between Hawaii and mainland jurisdictions. Retains veterans' preference but allows credit only if applicant passes required examination.

Retains present declaration of employees' right to organize. Authorizes employees of the Territory and the counties to select one exclusive representative of their interests and establishes machinery for accomplishing same.

Provides for at least semi-annual joint meetings of territorial and county personnel directors and commissioners to establish uniform civil service administration throughout the Territory and authorizes, as now, Territory and counties to enter into joint administrative agreements. Attorney general to continue rendering opinions for territorial and county department heads.

County personnel directors and three commissioners for each jurisdiction appointed by the Honolulu mayor and by chairman of board of supervisors in other counties, subject to approval of board for commissioners. Retains county exemption lists, except first departmental deputies. Makes all above provisions applicable to each county separately.

All incumbent civil service commissioners and personnel directors will retain their offices, subject to removal by the governor for cause specified by law.

Proposal No. 2 -- PUBLIC EMPLOYEE VACATION LEAVE. Permits accumulation of annual vacation leave of territorial and county officers and employees up to a maximum of 75 days (present maximum: 54 days). Effective on approval.

II.e Retirement

Proposal No. 1 -- PER DIEM WORKERS AND LEGISLATORS INCLUDED WITHIN EMPLOYEES' RETIREMENT SYSTEM. Per diem workers to be eligible for membership and must become members on January 1, 1952, if then employed (if not, upon entering); members of the legislature to become eligible for membership on July 1, 1951 and thereafter, but their membership not compulsory. Allows prior service credit to per diem workers who become members before January 1, 1954; to any member of the system for per diem work performed subsequent to January, 1928 and prior to date of membership; and to legislators for legislative service prior to membership. Retirement board to establish procedures, verify credit claimed, and allow credit accordingly. Appropriates unspecified sum for biennium to cover cost of benefits paid during biennium and directs ascertainment of total additional territorial liability to be reported to legislature, the total remaining liability to be paid off over eight years through appropriations to retirement system. Directs full benefit payments only if required

biennial appropriations made; otherwise reduces benefits in keeping with funds appropriated. Effective on approval.

Proposal No. 2 -- ORDINARY DEATH BENEFIT INCREASE. Increases ordinary death benefit under employees' retirement system so it will consist of accumulated contributions of employee plus an amount computed as follows: 50 per cent of the employee's final annual salary for the first year of creditable service, plus 2.63 per cent for each additional year, up to a maximum of 100 per cent of his final annual salary. (Existing ordinary death benefit consists of accumulated contributions plus 50 per cent of employee's final annual salary after year or more of creditable service.) Effective on approval.

III.a Classificationa

Proposal No. 1 -- CREATING SALARY STANDARDIZATION BOARD AND ENACTING A CLASSIFICATION PLAN. Establishes new compensation schedule for classified territorial employees, designed to implement declared policies of "equal pay for equal work" and granting regular compensation increases as ability and performance warrant. Creates new five-member salary standardization board with administrative responsibility over compensation schedule (now the responsibility of personnel classification board). Board composed of directors of bureau of budget and personnel and three non-public employees appointed by governor for four-year staggered terms, one to be designated chairman by him. Travel expenses allowed, but not salary.

Integrates compensation schedule (abandons the present five services), expands range between base salary rates (proposed minimum-maximum base rates: \$100 - \$1341 monthly; existing range: \$125 - \$893.33). Makes schedule applicable to counties. Additional salary grades may be established only by legislature.

Gives board full investigatory prerogatives; authority to appoint and remove assistants, employees, and experts; and rule-making authority. Requires board to: (1) establish and adjust salary range for each class of positions; (2) order changes in compensation of employees after consultation with appointing authorities (provides hearing procedure); (3) allocate all classes of positions to one of the salary grades; (4) give employee yearly salary increments after service with requisite efficiency (if funds available); (5) determine reasonable value of non-monetary allowances and deduct same from salary rate; (6) determine, after consultation with affected department, application of schedule to part-time service; and (7) make reviews and revisions of decisions when necessary. With approval of governor, board may depart from general requirement of initial appointment to minimum rate of grade, but if done, all employees in same class will be raised to same higher rate accordingly. Board required to make annual survey of salaries and wages in the Territory, make policy recommendations to legislature, and render services and facilities to counties and city and county, reasonable cost to be borne by them.

Assigns minimum salary of grade to position (reallocated) whose incumbent is paid less; if paid more, present salary to remain and accrue only to incumbent. Sets up procedure for handling compensation change requests and defines compensation rights upon reinstatement.

County boards of supervisors to serve as county salary standardization boards; they may delegate authority, by resolution, to territorial board.

Appropriates \$40,000 to board for biennium 1951-53. Effective July 1, 1951.

Digest of Other Recommendations

III.a Classification

REPORT OF ADVISORY COMMITTEE ON CLASSIFICATION AND SALARY MATTERS.

This advisory committee recommended, with supporting data, that the following principles be considered by the legislature in formulating and adopting classification and salary schedules for territorial and county employees:

- 1.a "That to the fullest extent practicable Federal classification nomenclature and principles and Federal compensation rates and services as contained in the Federal Classification Act of 1949, be used as a basis for determining the allocation of positions in the Territory and local government classified service, and the compensation that will be attached thereto, provided, however, that all positions shall be in the classified service.a
- 2.a "That to the fullest extent practicable the standards, principles, and compensation rates in effect in the public school system of Washington, D. C., similarly be used as a basis for revised legislation in respect to the Territorial school system and that at all times there be maintained the same interrelationship between the general schedules and school system schedules as may exist between the Federal general civil service schedules and Washington, D. C., school system schedules.a
- 3.a "That the Legislature be requested to provide, by law, that the salary of elected and/or appointed department heads be set at least one grade in excess of their first deputies.a
- 4.a "That the law provide that where in any case a Director of Classification has exhausted all channels available in recruitment for a position in the classified service at the entrance rate of the grade, he be given authority to recruit at any higher rate of the grade, and that, if unsuccessful, he shall have authority, subject to the approval of the Governor, to recruit on a contractual basis at a salary greater than the maximum salary for the position for a period not to exceed three years.a
- 5.a "That full responsibility and authority for the administration of the Classification Act be vested in the Director of Personnel and that the Director have the responsibility and authority to issue rules and regulations for the proper administration of the Act, which rules and regulations shall become effective upon approval by the Governor.a
6. "It is essential that the staff of the Personnel Director include a sufficient number of trained classification technicians to assure the carrying out of classification procedures under the highest standards and practices, and it is urged that appropriations be regularly made accordingly.
- 7.a "It is essential that periodic surveys be made of the classification systems and that an adequate appropriation be made for the conduct of such a survey to commence immediately upon the effective date of the Act.a
- 8.a "It is essential that all classification surveys that may be made be carried out under the supervision and direction of the Personnel Director of the Territorial Classification Board and the personnel directors of the various counties.a

- 9.e "That there be included in the law provision for longevity step-increases consistent with those provided in the Federal law, provided, however, that the increases be applicable to all grades.e
- 10.e "That no provision should be made in the law for meritorious service awards.e
- 11.e "That the law include provision for an efficiency rating system following the general principles of the Federal law and that the desirability of establishing a system of duty and performance standards be emphasized."e

An explanatory letter dated September 28, 1950, to the Holdover Committee from Representative Jack P. King, Chairman of the Classification and Salary Advisory Committee, was made part of this report. The letter commented on Recommendation No. 1 as follows:

. . . it was the thought of the Advisory Committee that the extent to which it may prove financially practicable from time to time to adopt the actual Federal schedules is a matter that the Legislature ought to decide. Representatives of the Hawaii Education Association and the Hawaiian Government Employees' Association have assured your advisory committee that their respective organizations would not be opposed to a rate of pay lower than the actual Federal compensation schedules if the Territory could not afford to pay said rate and provided that any reduction below the actual Federal compensation schedules be applied on a percentage basis to both the basic rates in the Federal compensation schedules for general employees and the basic rates in the Washington, D. C. teachers' single salary compensation schedules.

Mr. Nolle R. Smith, committee member, filed a minority letter dated October 11, 1950, expressing his personal objections only to Recommendation Nos. 1 and 2 and the uniform percentage reductions suggested by the committee in the form of Mr. King's letter and quoted above. Mr. Ernest K. Kai in a letter dated September 28, 1950 dissented insofar as the recommendations were at variance with the report made by the Territorial Classification Survey Commission to the 1949 legislature.

Chapter IV

SUMMARY OF RECOMMENDATIONS AND DIGESTS OF PROPOSALS OF SUBCOMMITTEE ON EDUCATION

The Subcommittee on Education was composed of the following seven legislators: Representative Joseph Itagaki, Chairman; Representative Alfred Afat Apaka; Representative Allan H. Ezell; Representative Charles E. Kauhane; Representative Noboru Miyake; Representative Esther K. Richardson; and Representative Joseph Yamauchi (replacing the late Representative Joseph G. Andrews).

In order to obtain the counsel of citizens informed in the area of education, an advisory group was formed, consisting of the following 19 persons: Mrs. Hannah D. Alicata, Mrs. Mosley K. Cummins, Representative Joseph R. Garcia, Cyrenus L. Gillette, James M. Greenwell, Dyke Izumi, Warren C. Johnson, Mrs. George H. Kellerman, Representative E. Percy Lydgate, John H. McDonald, Thomas C. Major, Mary L. Noonan, Thomas A. Remaly, Mrs. Herbert M. Richards, Leon K. Sterling, Jr., Mrs. Fred W. Strombeck, Larry S. Tamanaka, Paul S. Thurston, and L. J. Van Nostrand.

The Subcommittee held six meetings and considered four measures as well as a resolution from the Junior Chamber of Commerce. It formulated a series of recommendations supplemented by the drafts of two proposed bills. These recommendations and proposals are summarized below.

Summary of Subcommittee Recommendations

- A. The Subcommittee on Education recommended favorable consideration by the legislature of:
1. Establishment of a basic course in Hawaiian history and geography at the 7th and 8th grade levels.
 2. A series of four recommendations concerning the teaching of American history and civics in public schools (see digest of recommendations below). These resulted from consideration of HR 33.
 3. A bill similar to SB No. 331 which would increase the property management powers of the board of regents of the University of Hawaii in keeping with prevalent practice in mainland colleges.
 4. A bill similar to SB No. 524 which would make arrangements for professional or specialized training of Hawaii students at other institutions of learning.
- B. The Subcommittee recommended that the following measures be filed:
1. HCR No. 8 -- Hawaiian history course in all high schools of the Territory (see A, 1 above).
 2. Junior Chamber of Commerce resolution re salary and living standards of teachers. This resolution was filed because of action taken upon its subject matter by the Subcommittee on Civil Service, Classification, and Retirement (see page 12).

Digest of Recommended Measures

PROPERTY MANAGEMENT POWERS OF BOARD OF REGENTS, UNIVERSITY OF HAWAII (SB No. 331). Places title to all University property in the board of regents, instead of in the Territory. Grants full power of management of University affairs to board, including power to hypothecate University property as security for University projects, and power to sell or otherwise dispose of such property, consistent with the best interests of the University. Effective on approval.

PROFESSIONAL OR SPECIALIZED TRAINING OF HAWAII STUDENTS AT OTHER INSTITUTIONS OF LEARNING (SB No. 524). Authorizes board of regents, with approval of the governor, to arrange with mainland universities for the enrollment of University of Hawaii students who seek professional and specialized training and to make reciprocal agreements with such schools for reduction or waiving of all fees. Board, with gubernatorial assent, may establish scholarships to mainland schools for said training and require contract obligating students to return to the Territory for a certain period thereafter. Effective on approval.

Digest of Other Recommendations

RECOMMENDATIONS RE THE TEACHING OF AMERICAN HISTORY AND CIVICS IN PUBLIC SCHOOLS. The Subcommittee on Education and its advisory committee recommended the following:

1. "That the legislature request the Governor to appoint, on each island, a lay committee to continue inquiry into the teaching of History, Civics, Government and related subjects in the public schools and University . . .

②: "That the school curriculum be revised from elementary grades up through high school by putting more emphasis in the elementary grades on reading, writing, spelling and arithmetic . . .

"With regard to high school level, both Junior and Senior, it is recommended that more emphasis be placed on language, science, mathematics, history, and English -- 4 years each of English, History and Math . . .

+ ". . . that all public schools in Hawaii return immediately and completely to the subject matter approach.

3. ". . . That if the U. S. Congress has not granted Statehood to Hawaii by the third Wednesday in February, 1951, the Legislature take whatever steps necessary to accomplish the provisions relating to Education in the proposed State Constitution.

4. "That there be a reduction in the number of required hours in Teachers College to be spent in History of Education, Philosophy of Education and Methods of Education, with a relative increase of hours in the liberal arts subjects."

Chapter V

SUMMARY OF RECOMMENDATIONS AND DIGESTS OF PROPOSALS OF SUBCOMMITTEE ON GOVERNMENTAL EFFICIENCY

The Subcommittee on Governmental Efficiency was composed of the following seven legislators: Senator Ben Dillingham, Chairman; Representative Joseph Itagaki, Vice Chairman; Senator Toshi Ansai; Representative Noboru Miyake; Representative Thomas T. Sakakihara; Senator Charles H. Silva; and Representative Joseph Yamauchi (replacing the late Representative Joseph G. Andrews).

This Subcommittee held 14 meetings at which it considered all measures referred to it by the Holdover Committee. In conformity with the provisions of the Act which created the Holdover Committee, the principal attention of the Subcommittee was devoted to investigating duplication and overlapping in functions of Territorial government, with major emphasis upon reorganization of financial administration of the Territorial government. In order to obtain the counsel of citizens informed in this area of government, an advisory group was formed, consisting of Mrs. E. E. Black, Claude A. Jagger, Ernest Kai, Charles R. Kendall, Donald McArthur, James McDonough, John Murphy, Judge Ray O'Brien, and Harold S. Roberts. Surveys of territorial governmental operations were made for the Subcommittee by the Legislative Reference Bureau, which prepared seven reports, dealing with duplicating services, mail and messenger services, stenographic services, printing, purchasing, financial administration, and a department of business and commercial development.

The Subcommittee considered a total of 17 measures referred to it and presented its recommendations thereon. These recommendations and the Subcommittee's proposals are summarized below.

Summary of Subcommittee Recommendations

I. Reorganization of Financial Administration

A. The Subcommittee on Governmental Efficiency recommended favorable consideration by the legislature of:

1. A series of five related bills and one joint resolution designed jointly to reorganize the Territory's financial administration. (See below.)

B. No measures in this area of study were recommended for filing.

II. Miscellaneous

A. The Subcommittee on Governmental Efficiency recommended favorable consideration by the legislature of:

1. HB No. 133 (1st spec. sess.), as redrafted by the Subcommittee, relating to leaves of absence for teachers.
2. HB No. 1098, as redrafted by the Subcommittee, relating to special funds.
3. A bill, relating to engineers, architects, and surveyors, designed to correct complaints which gave rise to HR No. 18 (1st spec. sess.).

- 4.e SB No. 345 relating to the management of Ala Wai golf course.e
- 5.e HB No. 128 (1st spec. sess.), relating to exemption of disabled persons from certain taxes, for further study by the Finance Committee of the House of Representatives and the Ways and Means Committee of the Senate.e
- 6.e A bill relating to permanent license plates for motor vehicles, in place of SBe No. 569.e
- 7.e HB No. 46 (1st spec. sess.) relating to office hours and hours of work of territorial officers and employees.e
- 8.e SB No. 694, as redrafted by the Subcommittee, relating to transfers of county funds.e

B.e The Subcommittee recommended that the following be filed:e

- 1. SB No. 418 -- Salaries of district magistrates.
 SB No. 450 -- Government, County of Hawaii.
 SB No. 490 -- Expenditure of public money and qualifications of bidders on public contracts.
 SB No. 569 -- Motor vehicle license plates (see A, 6 above).
 SB No. 647 -- Government, County of Maui (further report to be made by Senator Ansai to regular session).
- 2.e HB No. 1085 -- Establishment of a fish and game commission.e
 HB No. 70 (1st spec. sess.) -- Bonds of public officers (see C, 2 below).
 HB No. 71 (1st spec. sess.) -- Risk exposure of Territory (see C, 2 below).
 HJR No. 7 (1st spec. sess.) -- Public meetings by all government agencies.
 HR No. 18 (1st spec. sess.) -- Investigation of board of registration for professional engineers, architects and land surveyors (see A, 3 above).
 Hs.Stand.Com.Rept. No. 806 -- Ala Wai golf course (see A, 4 above).
- 3. Communication from YWCA re real property tax assessment (answered by Subcommittee letter).

C.e Materials transmitted to legislature:e

- 1., A proposed comprehensive (224 page) insurance code, to be known by the short title of "Hawaii Insurance Law". The code was prepared by the deputy insurance commissioner, with the assistance of the attorney general's office and the facilities of the Legislative Reference Bureau. It is modelled after the recently revised State of Washington insurance code, but incorporates features of the insurance laws of several other states, including California, Massachusetts, Michigan, New York, Pennsylvania, and Texas.
- 2.e Reports, initiated by consideration of HB No. 70 -- Bonds of public officers -- and HB No. 71 -- Risk exposure of the Territory (both of 1st spec. sess.) -- received from the Board of Underwriters of Hawaii and the Hawaii Fire Rating Bureau. Additional reports concerning the risk position of the Territory and the relative advantages of self-insurance and commercial insurance were under preparation by Ebasco Services Incorporated of New York, whose services were contracted for by the Subcommittee.e

Digest of Recommended Measures

I.e Reorganization of Financial Administration¹

Bill No. 2 -- FINANCE REORGANIZATION. Creates an integrated department of finance and a department of audit. Commissioner of finance, appointed by governor to serve at his pleasure, and auditor, appointed as at present, to head departments of finance and audit respectively. Transfers to commissioner of finance powers and duties of director of bureau of budget, auditor (except post-audit), board of disposal, and those of superintendent of public works relating to allocation of office space; powers and duties of the bank examiner and his deputy relating to the audit of county books transferred to the auditor.

Commissioner of finance, with approval of governor, may appoint (outside civil service) a deputy commissioner to serve also as budget director, and four division directors, these including a controller and purchasing agent. Grants rule-making authority to commissioner in furtherance of specified duties and powers.

Makes commissioner responsible for the following centralized functions: (1) Budget preparation, with approval of governor, in keeping with prescribed calendar and format. Direct requests to legislature for appropriations by agencies prohibited, except upon legislative resolution. (2) Budget control through a quarterly allotment system (including reduction of allotments); approval of all intra-agency transfers; pre-audit of expenditures; central handling of all claims for legislative relief; petty cash fund approval (maximum: \$5,000); and central contingent fund, transfers from contingent fund to require approval of governor and when over \$10,000, approval of majority of legislative holdover committee or designated legislative leaders. Unexpended appropriations at end of first fiscal year go to central contingent fund; capital improvement appropriations to revert to general fund after 18 months, unless period extended by joint resolution. (3) Prescription and maintenance of accounting system for all territorial agencies, subject to approval of auditor. (4) Central purchasing system and approval of direct or emergency purchases, including supervision of central storerooms, inter-agency transfers of materials, and adoption and enforcement of standard specifications to be established with advice of advisory board on standardization -- commissioner to be ex-officio chairman, membership to include heads or representatives of all principal agencies. Purchase by competitive bids where possible; capital improvements by bid and contract; 10 percent maximum preference to island products. With approval of governor, may agree with counties for cooperative purchases. (5) Disposal of surplus equipment; money derived going to general fund. May destroy records exclusive of permanent records exceeding ten years in age, with approval of auditor and attorney general. (6) Central inventory maintenance. (7) Central printing and distribution of all territorial publications including legislative, except technical and professional publications of University. Supervision of all forms in use by territorial agencies. (8) Central duplicating, mail, and messenger service. (9) Supervision of all territorial office space allocation and rental or leasing of all property, but if longer than two years, with approval of governor. (10) Control, with approval of rules by governor, of all territorial travel. (11) Control of territorial motor vehicles. (12) Continuous investigation of organization and administration of territorial agencies, with power to make recommendations; performance of same service for legislature upon request. (13) Preparation of financial reports. (14) Performance of all above services for legislature upon request.

¹Bill numbering follows Subcommittee designation; measures bearing numbers now absent were either included within final proposals here digested or were deferred after Subcommittee study.

Except for principal and interest on territorial debt, legislative expenses, draft on special deposits, and commissioner's salary, no money to be drawn from treasury other than upon warrants issued by commissioner's office. Procedure established for payroll payment and for payments of public funds into and out of treasury. In event of insufficient funds, procedure established for treasurer's warrant notes, at maximum interest of 5 per cent.

Justices of supreme court to hear directly appeals from commissioner's decision, their decision to be final.

Auditor, at least annually to post-audit all territorial and county accounts, the examination to include all public trust funds. Annual reports to governor, all boards of supervisors, and to regular session of legislature required. Given full investigation and examination powers. Annual count of money and securities in territorial treasury and report thereon required.

Provides for appropriate transfer of personnel and of facilities where necessitated by transfer of functions. Establishes terminating pay and priority reemployment rights for employees affected by act. Short title: "Finance Reorganization Act of 1951." Effective July 1, 1951.

Bill No. 3 -- TAX ADMINISTRATION. Transfers powers and duties relating to administration of territorial inheritance and estate taxes from treasurer to tax commissioner. Treasurer to administer tax on gross premiums of insurance companies on behalf of tax commissioner. Effective July 1, 1951.

Bill No. 5 -- BUREAU OF CONVEYANCES. Transfers bureau of conveyances from treasury department to department of public lands. Registrar of conveyances to be appointed by commissioner of public lands (under civil service regulations) instead of governor upon nomination of treasurer. Effective July 1, 1951.

Bill No. 7 -- DEPARTMENT OF TREASURY AND COMMERCE. Creates a department of treasury and commerce, replacing treasury department, to be headed by a treasurer, appointed by governor with consent of senate. Transfers appointment, employment, and supervision of staff of employees' retirement system, public utilities commission, and regulatory boards, as defined, to treasurer. Also transfers to treasurer powers of industrial research advisory council, license-issuing functions now exercised by board of health, (to be exercised upon recommendation of regulatory boards) and license and certificate issuance functions of utilities commission and regulatory boards, but to act only upon recommendation therefrom. Creates an advisory board on commerce of nine members, at least one from each county, to be appointed by the governor with consent of senate for three year staggered terms. Board to elect own chairman, establish rules of procedure, and to receive only travel expenses.

Treasurer required to (1) receive, deposit, invest and disburse all territorial moneys; (2) supervise sale, purchase and redemption of territorial bonds; (3) serve, as presently, as territorial bank examiner, insurance commissioner, and fire marshal; (4) submit annual financial report to both governor and legislature and activities report to governor; (5) perform staff functions for employees' retirement system (actuarial functions excluded), public utilities commission, and regulatory boards; (6) prepare program for development of agriculture, commerce, and industry; (7) conduct or encourage research for more extensive use of resources; (8) study business conditions and study and promote trade and commerce; (9) make available to public information concerning commerce, resources, and related subjects; (10) cooperate in promotion and encouragement of territorial travel; (11) study administrative practices of regulatory boards and report to governor and legislature.

Continues existent schedule of treasurer's fees. All revenues and receipts accruing to department from public utilities commission, any regulatory board, or employees' retirement system, except funds received on account of contributions to any retirement system, to be paid into treasury and credited to general fund.

Provides for appropriate transfer of all property and personnel made necessary by transfer of functions. Establishes termination pay and priority reemployment rights for employees affected by act. Short title: "Treasury and Commerce Act of 1951." Effective July 1, 1951.

Bill No. 9 -- COUNTY INVENTORY RECORDS. Requires all persons having custody of county property to file complete inventory record as of July 1 with boards of supervisors by August 15 of each year. Record to include full cash value of each item.

County auditors to examine record, make necessary corrections as to values assigned, enter same into books kept for such purpose, enter amounts (on general ledgers) to appear upon county balance sheets, and withhold salary of person until record required is filed. Requires county engineers to assist auditors in fixing valuations.

Makes failure of performance of duties herein required a misdemeanor (maximum fine: \$500 or six months imprisonment). Confers jurisdiction upon appropriate district magistrate. Effective July 1, 1951.

J. R. No. 1 -- TERRITORIAL AUDITOR. Memorializes Congress to amend Organic Act to transfer territorial auditor from executive to legislative branch. Auditor to be appointed by majority vote of each house in joint session for a term of eight years and thereafter until successor appointed. (Provision of proposed Hawaii constitution.) Removal by two-thirds vote of each house in joint session. Required to post-audit territorial and county accounts and appropriations as required. Effective on passage of "Finance Reorganization Act of 1951."

HB No. 133 (1st special session; as amended by Subcommittee) -- LEAVES OF ABSENCE FOR TEACHERS. Provides payment of last two installments of sabbatical leave pay within 30 days after the opening of the next school year instead of at opening of the next school year. Thirty day period may be extended by superintendent of public instruction. Effective on approval.

HB No. 1098 (as amended by Subcommittee) -- ABOLISHING CERTAIN SPECIAL AND REVOLVING FUNDS. Abolishes 61 specified special funds and 14 specified revolving funds. Unexpended and unobligated balances of these funds transferred to general fund and moneys which heretofore have been credited to these funds go to general fund. Effective July 1, 1951.

MISCELLANEOUS
RELATING TO ENGINEERS, ARCHITECTS, AND SURVEYORS. Board of Registration of professional engineers, architects, and surveyors to include a member of the University's department of engineering to be nominated by the president of the University and to be exempt from required residence and professional practice qualifications. Board to appoint an executive secretary (outside civil service) to perform duties of secretary, which office is eliminated; other employees inferentially made subject to civil service. Applicants for registration must pass two examinations -- one to test their knowledge of theory, the other their professional skill and competency -- the former to be given at least annually to persons who have completed required course or curriculum. Requires identity of applicants to be kept secret from examination graders. Notification of results to follow grading, not to be unreasonably delayed pending completion of grading all papers. Effective November 30, 1951.

SB No. 345 (as redrafted by Subcommittee) -- TRANSFER OF ALA WAI GOLF COURSE. Transfers management and operations of Ala Wai Golf course at Honolulu from the fair commission of Hawaii, which is abolished, to the city and county of Honolulu to be managed by its board of public parks and recreation. Power of disposal over land or buildings denied, and all contracts and other existing instruments relating thereto to be observed. Transfers unobligated appropriations to city and county for use of board.

Golf course employees transferred to city and county civil service. Those with more than six months service given permanent appointments; less, probationary appointments with permanent status after six months, all without further examination. To be accorded treatment as though no transfer had occurred and makes appropriation for vacation credit and prorated employees' retirement system contributions. Effective July 1, 1951.

NUMBER PLATES FOR LICENSED VEHICLES. Provides for one permanent number plate, instead of two annual plates, with annual renewal by tag or emblem. Upon original registration, one numbered plate, with registration number and year of issue stamped thereon, and an emblem or tag showing the month of issue, to be issued to each vehicle owner. Owner to attach plate to the rear of vehicle, the emblem to the lower right hand corner of the windshield, and, for motorcycles and trailers, the tag to the plate. In subsequent years emblem or tag only to be issued, upon payment of tax, with year and month marked thereon. Original registration fee to include cost of plate and administrative cost of issuing plate and effecting registration; subsequent yearly fee to include only administrative cost of issuing tag or emblem, with maximum fee of 50 cents. Fee for new plate to equal cost. Secretary to contract annually on behalf of counties for necessary new plates, tags, and emblems; procedure as now.

Establishes monthly series system of registration and tax payment so that work will be spread uniformly throughout the year. Authorizes and outlines change-over-procedure, beginning March 1, 1952. When fully accomplished by July 31, 1953 all registration periods and tax payments to cover 12 consecutive months. Effective January 1, 1952.

HB No. 46 -- PUBLIC OFFICE AND WORK HOURS. Clarifies office and work hours of officers and employees of the Territory, counties, and boards and commissions thereof. Provides Saturday closing as now . . . "if neither the public conveniences nor the work of the office will suffer thereby . . ." rather than "where feasible." To provide Saturday skeleton force, allows arrangement of work week so that each employee averages 40 hour week. Effective on approval.

TEMPORARY TRANSFERS OR LOANS BY COUNTY TREASURER. (SB No. 694 as redrafted by Subcommittee) Authorizes treasurer in each county, with approval of board of supervisors, to temporarily transfer or loan excess moneys in any county fund, except pension or retirement funds, funds for redemption of interest payments on bonds, or trust funds, to other county funds for undertaking public improvements for which duly authorized general obligation bonds are to be sold. Transfers to be made only after improvements have been authorized by board of supervisors; amounts not to exceed total sum of unissued bonds. Original funds to be reimbursed from bond sale proceeds or from county appropriations. Effective on approval.

Chapter VI

SUMMARY OF RECOMMENDATIONS AND DIGEST OF PROPOSALS OF SUBCOMMITTEE ON HARBORS, AIRPORTS, AND PUBLIC UTILITIES

The Subcommittee on Harbors, Airports, and Public Utilities was composed of the following eight legislators: Senator Charles H. Silva, Chairman; Representative Esther K. Richardson, Vice Chairman; Senator Manuel Aguiar, Jr.; Senator Toshi Ansai; Representative Allan H. Ezell; Senator Herbert K. H. Lee; Representative Noboru Miyake; and Representative Akoni Pule.

This Subcommittee held 13 separate sessions, considered a total of 10 measures and proposals, presented a series of recommendations, and reported progress upon its study of other measures referred to it. The gist of its recommendations is presented below.

Summary of Subcommittee Recommendations

A. The Subcommittee on Harbors, Airports, and Public Utilities recommended favorable consideration by the legislature of:

1. “. . . a strong bill in the next session . . . covering the seizure and operation of all privately owned piers in Honolulu Harbor in the event of an emergency . . . Attorney General . . . directed to draft such legislation by amendment to Act 62 of the Special Session of 1949.”
2. Certain recommendations related to SB No. 405, concerning a shore waters investigation board, contained in an extensive report of Subcommittee entitled, “Report Relating to the Pollution of Shore Waters, Including their Tributaries, in the Territory of Hawaii.” (See note below.)
3. (The Subcommittee incorporated in its report a final report from Mr. Robert M. Belt re flood conditions at Maili, Oahu, which “. . . stated that construction of the Mailiili Bridge and Waianae Road had no bearing upon the flooded condition . . .” City and County of Honolulu must assume cost of installing drainage pipes in Lualualei District to facilitate flowage of Mailiili stream.)
4. (Although the Subcommittee ordered HR No. 47 (1st spec. sess.), concerning fishing regulations of the Board of Agriculture and Forestry, to be filed, it reported as follows: “The investigation by your Subcommittee finally ended in instructions that the Board of Agriculture and Forestry conduct surveys in different areas, ascertain and apply the wishes of the people in each respective area, then render a report of such findings to us.”)

B. The Subcommittee recommended that the following measures be filed:

1. SB No. 511 -- Taxes on air transportation.
SB No. 512 -- Aircraft landing fees.
SCR No. 47 -- Harbor facilities study (see A, 1 above).
2. HB No. 1063 -- Shore waters investigation board (companion bill of SB No. 405; See A, 2 above).
HR No. 47 (1st spec. sess.) -- Fishing regulations (see A, 4 above).

C. The Subcommittee submitted the following reports for transmission to the legislature:

1. A report on SB No. 1 (1st spec. sess.) relating to labor disputes in public utilities entitled "An Outline of the Most Recent State Laws which Provide for Seizure Among Other Things, in Case of Public Utility Emergencies where the Normal Processes of Collective Bargaining, Mediation and Voluntary Arbitrations Failed to Resolve the Differences Between Labor and Management", prepared by the Public Utilities Commission.
2. A report on HR No. 122 relating to the study of certain costs and expenses of public utilities, entitled "Report on the Affairs of the Hawaiian Electric Company, Ltd.; Hilo Electric Light Company, Ltd.; and Honolulu Gas Company, Ltd.;" prepared by the Public Utilities Commission.
3. A report on Holdover Committee Resolution No. 39 relating to development of electrification in rural areas entitled "... Possibilities of Rural Electrification Administration Assistance to Certain Applicants for Loans and the Possible Development of Hydro-electric Power Project, in the Territory of Hawaii", prepared by the Public Utilities Commission.
4. A report relating to placing the Hawaii Aeronautics Commission on an autonomous basis. (The Master Plan for Honolulu Airport was still being processed on February 5, 1951 consequently, together with the final report of the Subcommittee, could not be transmitted.)

Digests of Recommendations

"REPORT RELATING TO THE POLLUTION OF SHORE WATERS, INCLUDING THEIR TRIBUTARIES, IN THE TERRITORY OF HAWAII," CONCERNING SB NO. 405 -- SHORE WATERS INVESTIGATION BOARD. This report included a large amount of statistical, pictorial, and other data which was accumulated in the course of the Subcommittee's survey. Incorporates materials submitted to the Subcommittee by interested parties and copies of previous surveys and investigations conducted by the Board of Agriculture and Forestry, the Board of Health, the Department of Public Works, the Federal District Engineers Office, and the University of Hawaii.

The Subcommittee recommended:

- (1) "... that the Territory through a properly designated agency of the government, already existent, such as the Board of Agriculture and Forestry or the Board of Health, shall study the possibility of going into the business of propagating nehu and other fish bait, upon a non-profit basis, for the convenience and assistance of the sampan fishing industry."

It further reported:

- (1) "... the knowledge of the life history of the fish and of present fishing operations on the stock of nehu is neither adequate nor complete. What is sorely needed is more research. Both the University of Hawaii and the Division of Fish and Game have research programs underway designed to remedy this situation, but financial

support for these activities to date has been very limited. What the whole program really needs from this phase of the survey is a substantial financial shot in the arm."

- (2) The invention of an improved method of aku fishing by an inventor who appeared before the Subcommittee may help materially to increase the aku supply. "Not only will the consumer benefit but local tuna canneries will have more fish to can for export purposes and this will mean more new dollars coming into the Territory."

Chapter VII

SUMMARY OF RECOMMENDATIONS AND DIGESTS OF PROPOSALS OF SUBCOMMITTEE ON HOSPITALS, MEDICAL CARE, HEALTH, AND WELFARE

The Subcommittee on Hospitals, Medical Care, Health, and Welfare was composed of the following six legislators: Representative Thomas T. Sakakihara, Chairman; Senator Toshio Ansai, Vice-chairman; Representative Allan H. Ezell; Representative Joseph R. Itagaki; Representative Charles E. Kauhane; and Representative Noboru Miyake.

In order to obtain the counsel of citizens informed in the areas under study, an advisory group was formed within each county. These four committees consisted of a total of 89 persons whose names are listed at the conclusion of this chapter.

The Subcommittee held 31 separate sessions and considered 13 measures and proposals. This effort resulted in a series of recommendations supplemented by the drafts of 7 proposed measures. Their recommendations and proposals are summarized below:

Summary of Subcommittee Recommendations

- A. The Subcommittee Hospitals, Medical Care, Health, and Welfare recommended favorable consideration by the legislature of:
1. A bill creating a division of hospitals and medical care in the Department of Health, together with certain additional amendments, based upon consideration given SJR No. 40.
 2. A joint resolution creating a commission on nursing education, based upon consideration given HR No. 42.
 3. A bill making certain changes in the existing laws concerning the licensing of physicians, based upon consideration given section (b) of HR No. 42.
 4. A bill combining Hilo and Puumale hospitals, based upon study of hospital facilities in Hawaii County.
 5. A bill authorizing a new West Kauai Hospital at Waimea, based upon study of hospital facilities in Kauai County.
 6. Deferring investigation of Kalaupapa Settlement, based upon consideration given HCR No. 51.
 7. Addition of a doctor of medicine to the staff of the Bureau of Workmen's Compensation.
 8. One of two alternate bills presented, digested below, relating to the practice of pharmacy, based upon study given a request of the Honolulu County Medical Society.
 9. (Subcommittee approved certain recommendations of its advisory group concerning dental care in rural schools of the City and County of Honolulu. See digest below.)

10. (Subcommittee approved certain recommendations of its advisory group concerning health facilities of the City and County of Honolulu. See digest below.)
11. (Subcommittee recommended, as a result of consideration given a study request from the Subcommittee on Civil Service, Classification, and Retirement, that physical examinations of civil service employees should not be made by government physician.)

B. The Subcommittee recommended that the following measures be filed:

1. SB No. 583 -- Tuberculosis Hospitals.
SCR No. 13 -- Transfer of Aiea Naval Hospital.
2. HJR No. 6 (1st spec. sess.) -- Hansen's Disease Hospital.
3. Communication from Waimanalo Lions Club re dental care in rural Oahu.

Digest of Recommended Measures

HOSPITALS AND MEDICAL CARE (Bill). Establishes division of hospitals and medical care within department of health; creates a territorial advisory commission for hospitals and medical care and advisory health committees for counties. Transfers powers and duties of present hospital advisory council to territorial advisory commission.

Division to perform duties, heretofore performed by other bureaus or officers of department, relating to administration of rules for operation of hospitals, administrative charge of medical care of indigent and medically indigent, and supervision of government physicians. Territorial advisory commission to include 11 members, four to be licensed physicians, a majority to be physicians, hospital administrators, and members of allied professions, and at least one representative from each county advisory group; all to be appointed by governor, subject to Senate confirmation, for four-year staggered terms. Commission to study and advise board of health concerning conditions and program for medical care of indigents, and construction, subsidies, inspections, and licensing of hospitals.

County advisory committees to have minimum of five and maximum of seven members, each to include county health officer or his agent; others to be appointed by mayor in city and county and by chairmen of county boards of supervisors. Each to advise board of supervisors concerning medical care of indigent.

Persons receiving assistance from department of public welfare as indigents made eligible for all types of medical care; boards of supervisors to employ qualified assistants to aid in determining persons medically indigent. Costs of medical care to be borne equally by territory and counties, board of health to approve territorial grants; boards of supervisors to pay charges of both public and private hospitals, payments to be based upon flexible cost formula to be established by board of health.

Appropriates \$50,000 to new division. Effective _____.

(At a Subcommittee hearing held after this digest was prepared ". . . it was established that certain amendments should be made to the proposed legislation, presenting a more careful spelling out of the extent to which the territorial department of health will supervise or audit the expenditures of the counties for care of the medically indigent. An equally important provision to be made is one which will guarantee the authority to receive federal funds in connec-

tion with such program. The . . . bill should therefore be referred for further study, to the territorial board of health and to the bureau of the budget.'')

NURSING EDUCATION (Joint resolution). Authorizes governor to appoint a commission on nursing education and nursing services, subject to Senate confirmation; minimum of three and maximum of five members, to select own chairman and to receive travel expenses only. Required to survey and evaluate existing facilities for nursing education and nursing services; may make reports and recommendations to governor and federal or territorial agencies concerned with services. Appropriates \$3,000, part or all of which may be used for cost of any survey to be made by consultant from United States public health service. Effective on approval.

LICENSING PHYSICIANS (Bill). Applicants to practice medicine or surgery in the Territory no longer required to be United States citizens. Applicant must have been actually physically present in Territory for nine months as well as resident for one year. Clarifies terminology. Effective on approval.

MERGER OF HILO AND PUUMAILE HOSPITALS (Bill). Combines Hilo and Puumaile, Hawaii hospitals into a single organization with a managing committee of 11 members to be appointed by chairman of Hawaii board of supervisors, with board's approval, for four-year staggered terms; committee to select own chairman and to serve without pay. Committee to appoint a superintendent to manage hospital, subject to its direction, and to appoint and fix salaries of hospital employees. Committee granted full control of hospital funds and to make regular reports to board of supervisors as required. County attorney to act as legal adviser and to handle all delinquent hospital collections. Effective on January 1, 1952.

NEW KAUAI HOSPITAL (Bill). Authorizes Kauai board of supervisors to issue \$250,000 general obligation bonds for construction of new West Kauai Hospital at Waimea. Chairman of board to appoint, with approval of board, a managing committee of a minimum of five and maximum of seven members, to serve for staggered four-year terms; committee to select own chairman. Committee granted full control of hospital funds; to staff hospital; and make regular reports to board of supervisors as required. County attorney to act as legal adviser and handle delinquent collections. Effective on approval, except bond issues in excess of legal limits made dependent upon congressional ratification of Act.

(Alternate bills proposed)

(i) **PHARMACY PRACTICE**. Practitioner of medicine, osteopathy, dentistry, or veterinary medicine may dispense drugs to his patients personally as now, or through a registered nurse in his employ, or through a registered nurse or pharmacist in his employ and working under his immediate supervision. Effective on approval.

- or -

(ii) **PHARMACY PRACTICE**. Practitioner of medicine, osteopathy, dentistry, or veterinary medicine may dispense drugs to his patients personally as now, or through his office nurse or other assistants for whom he is responsible; personnel, duly authorized by head physician or governing board, of any hospital having less than _____ beds may also dispense said drugs. Effective on approval.

Digest of Other Recommendations

RURAL OAHU DENTAL CARE. The advisory group, with Subcommittee approval, recommended that:

1.e "Efforts should be made to make dental care available to all persons in the Territory, regardless of income or geographical location . . . it will be necessary that necessary dental care be included in any program involving medical care of persons who are indigent or medically indigent.e

2.e "The total dental program for the Territory . . . must be based on preventive and educational measures as well as the provision of facilities for treatment.e

3.e "A highly desirable function would be the activation of a division of dental health in the territorial department of health, which division was provided for by Act 208 of the 1949 Legislature."e

HONOLULU HEALTH FACILITIES. A special advisory committee and the Subcommittee recommended that:

1.e ". . . (since) the present facilities of municipal emergency medical care are to be commended, . . . it would be highly ill-advised to effect a change from city administration to that of general hospital supervision.e

2.e ". . . it would be most desirable to have the (proposed) emergency hospital located on public property, rather than on the grounds of a private institution as is presently the case.e

3.e ". . . the proposed site of the new emergency hospital on the makai side of Hotel Street, waikiki of Kapiolani Boulevard Extension, is most appropriate (concurring with the Honolulu board of supervisors and planning commission)."e

Advisory Groups of Subcommittee on Hospitals, Medical Care, Health, and Welfare

1.e HONOLULU ADVISORY GROUP AND COOPERATING ASSOCIATIONSe

Dr. R. L. Hill, Chairman
Dr. R. K. C. Lee, Secretary
Dr. H. L. Arnold, Jr.
Mr. Vergil F. Bradfield
Miss Mary Cheek
Dr. H. C. Gotshalk
Dr. W. K. Holt

Dr. John Y. Ing
Dr. H. M. Izumi
Sister M. Jolenta
Miss Virginia Jones
Dr. J. T. Kuninobu
Miss Alison MacBride
Dr. H. B. Luke

Dr. R. Y. Sakimoto
Mrs. Bernice Tajima
Dr. I. L. Tilden
Dr. C. L. Wilbar, Jr.
Dr. Lester Yee
Dr. S. L. Yee

Honolulu County Medical Association
Hawaii Territorial Medical Association
Territorial Hospital Association
Territorial Nurses' Association
Hawaii Territorial Dental Association

2. HAWAII ADVISORY GROUP

Dr. H. E. Crawford, Chairman
Mr. Russell N. Tucker, Secretary
Dr. Archie Orenstein
Dr. M. H. Chang
Dr. S. Kasamoto
Dr. Leo Bernstein
Mrs. Dorothy L. Kaladic
Dr. H. Okada
Dr. Rollin Fillmore
Dr. Chisato Hayashi
Dr. E. B. Cunningham
Dr. John Milford
Dr. L. R. Fernandez
Dr. T. D. Woo

Mr. Martin Black
Mr. W. F. Robertson
Mr. David Larsen
Mr. Andrew Walker
Mr. Harry Taylor
Mr. W. L. S. Williams
Mr. R. L. Walker
Mr. J. S. Beatty
Mr. J. F. Ramsey
Mr. A. D. Ednie
Mrs. Maude Beers
Mr. James Kealoha
Dr. William F. Leslie
Miss Eunice Graham

Mr. Luigi Giacommeti
Mr. Kenichi Sakai
Mr. Harry H. Hara
Miss Lavelle Sinclair
Mr. W. D. Ackerman
Miss Dolores Donahue
Mrs. Jane C. Joyce
Mrs. Eleanor O'Brien
Mr. Arthur Walsh
Dr. Robert M. Miyamoto
Dr. Francis Wong
Miss Mary Jean MacDonald
Mr. Gilbert Hay

3.e MAUI COUNTY ADVISORY GROUPE

Dr. John Sanders, Chairman
Dr. Katsuyuki Izumi
Dr. Harold Kushi
Dr. Edmund Tompkins

Dr. J. I. Reppun
Dr. S. Miura
Dr. William Toney
Dr. W. H. Wilkinson

Miss Elizabeth Sheridan
Dr. Frank A. St. Sure, Jr.
Dr. Robert F. Cole
Dr. Edward B. Underwood

4. KAUAI ADVISORY GROUP

Mrs. Helen Gage, Chairman
Mr. Wallace Tanaka, Secretary
Dr. J. H. Kanna
Dr. Wm. W. Goodhue
Miss E. H. Middleton
Dr. Samuel Wallis

Dr. Burt O. Wade
Dr. D. R. Chisholm
Dr. Patrick Cocket
Dr. J. M. Khuns
Dr. Gustane Bieber
Dr. Keith Kuhlman

Dr. Eichi Masunaga
Dr. Dorothy Kemp
Mrs. Mary A. Sabate
Mr. Albert A. Bingham
Miss Mabel Wilcox
Mr. William P. Alexander

Chapter VIII

SUMMARY OF RECOMMENDATIONS AND DIGESTS OF PROPOSALS OF SUBCOMMITTEE ON PUBLIC LANDS AND HOUSING

The Subcommittee on Public Lands and Housing was composed of the following seven legislators: Senator William J. Nobriga, Chairman; Representative Noboru Miyake, Vice Chairman; Senator Manuel R. Aguiar, Jr.; Representative Alfred Afat Apaka; Senator Herbert K. H. Lee; Representative Thomas T. Sakakihara; and Representative Joseph Yamauchi (replacing the late Representative Joseph G. Andrews).

The Subcommittee held 45 meetings, including 11 meetings on the outside islands in connection with five field trips, and considered nine measures referred to it by the Holdover Committee. The Subcommittee also studied other questions requiring legislative consideration. To assist it in conducting its investigations and preparing its report the Subcommittee retained the services of Dr. E. O. Kraemer, then of the University of Hawaii's Department of Economics, who acted as consultant. Based upon its lengthy main and supplementary reports, the Subcommittee presented a series of recommendations supplemented by drafts of 42 proposed bills. These recommendations and proposals are summarized below.

Summary of Subcommittee Recommendations

- A. The Subcommittee on Public Lands and Housing recommended favorable consideration by the legislators of the following recommendations within 15 study areas:
 - I. Homesteading and Subsistence Homesteading. It was recommended that:
 1. Homesteading and land settlement policies of Territory be thoroughly revised in accordance with proposed Land Settlement Act.
 2. Revised homesteading and land settlement policies be carried out by a newly created land settlement authority.
 3. Functions of this newly created land settlement authority include: (a) creation of new homesteads; (b) enlargement and improvement of under-sized or underdeveloped farm units as well as a modification in type of farming where desirable; (c) improvement of existing tenure conditions; (d) creation of necessary irrigation facilities.
 4. Methods of homesteading and land settlement be adjusted to present day needs, with particular reference to: (a) selection of applicants; (b) financing; (c) laying out of settlement tracts; (d) information and guidance; (e) provision of transportation facilities.
 5. Farm loan board be transferred to the new land settlement authority.
 6. Withdrawal clause shall be attached to all leases of public lands.
 7. All aliens or alien corporations be prohibited from bidding on public leases or purchasing government lands.

8. After leasing for 15 years, the lessee shall have option to buy public lands leased for agricultural purposes and actually farmed over that period, provided that leasehold does not exceed 30 acres.
9. Land commissioner be authorized to sell lands to farmers who have qualified for Bankhead-Jones loans.

II. Housing and Houselots. It was recommended that:

1. Public lands sold for houselots shall be allocated by drawing or lot so that no person shall receive more than one lot in any 12 month period, providing this shall not preclude purchasing land adjoining a lot held by that person, to be used as a unit for houselot purposes.
2. After leasing for 15 years, a person living on land leased from Territory may have option to buy said land at its appraised value, provided the size of the lot does not exceed maximum fixed by Section 73 (n) of Organic Act.
3. Hawaii housing authority give first priority in tenant selection to persons displaced from homes as result of slum clearance program.
4. A subsidy be granted for utility improvement in new subdivisions.
5. Territorial lands for houselots be sold at cost, including cost of furnishing utilities.
6. Commissioner of public lands be authorized to set aside one-third of all houselots for war veterans in any new residential subdivision of public lands.
7. Commissioner of public lands be authorized for a period of ten years to open houselots sites in each representative district for war veterans only.

III. Urban Redevelopment. It was recommended that:

1. The territorial Urban Redevelopment Act be amended so as to adjust it to requirements of Federal Housing Act of 1949.

IV. Hawaiian Homes Commission. It was recommended that:

1. The revolving fund of the commission be allowed to accumulate to \$10,000,000.
2. Membership of the commission be composed of representatives from each of the counties.
3. The commission be converted into an Hawaiian homes authority.
4. This new authority be empowered to issue and sell bonds secured by its revenues alone.

5. Maximum limits for loans to homesteaders be increased from \$5,000 to \$15,000 and annual interest rates reduced from 3 to 1 1/2 per cent.
6. The Territory support construction by the Hawaiian homes commission of a pineapple cannery on Molokai.

V. Resources Planning and Development. It was recommended that:

1. A permanent resources development council be established to bring about continuous long-term programming for optimum development and utilization of basic resources of Territory in accordance with proposed Hawaii Resource Development Act.
2. The council be empowered: (a) to study, coordinate, and periodically revise basic data concerning programs for conservation and development of land, water, natural, human, and other resources of Territory and on basis thereof to initiate in an advisory capacity such programs; (b) to cooperate in such programs; (c) to encourage establishment of and to cooperate with local planning agencies; (d) to encourage extension and coordination of statistical and research data; (e) to prepare and submit studies and recommendations upon matters within its jurisdiction; (f) to cooperate with federal agencies in formulation of joint resource development programs.
3. A corresponding system of local councils be established to encourage best possible development of basic resources of each local area.
4. Where such local machinery already exists, as in Oahu and Hawaii, it be adjusted to resources development council program.
5. Where such local machinery is still to be created, as in case of Maui and Kauai, immediate steps be taken for its establishment.

VI. Water Development. It was recommended that:

1. A study be made of advisability of extending the benefits of the Federal Reclamation Act to Hawaii.
2. Efforts be made to get federal support for research on reclamation problems in Territory.
3. Detailed studies of irrigation projects be made by resources development council in near future in following areas: (a) Island of Molokai; (b) Waimea Plains, Hawaii; (c) Waimea, Kauai; (d) Waimanalo, Oahu.
4. All future agreements permitting passage of private water conduits across public lands reserve to Territory the right to buy water from such conduits and to transfer such rights to lessee or purchaser of public lands.
5. In each county a uniform domestic water supply system be established on a county-wide basis with whatever territorial financial support deemed necessary.
6. Undertaking of all irrigation projects be made a territorial function.
7. All water rights be acquired and vested in Territory.

VII. Land Tenure. It was recommended that:

1. The commissioner of public lands be authorized to include in public land pastoral leases provision forgiving part of rent upon completion of improvements by lessees.
2. The commissioner be empowered to require surety bonds for payment of rent of all public land leases in amount twice annual rental and to dispense with requirement of performance bond to assure completion of required improvements.
3. Section 10067 of Revised Laws of Hawaii 1945 be amended so as to increase time required for notice of ejectment from 30 to 90 days in case of agricultural land.
4. Immediate steps be taken to bring about a comprehensive study of land tenure conditions of Territory by resources development council with view to determining their effect upon economy of Territory.

VIII. Land Valuation and Taxation. It was recommended that:

1. The Organic Act be amended to require appraisers to be qualified and disinterested persons, with knowledge of appraisal and of land value, but not associated with real estate business; to be appointed by governor with consent of Senate.
2. Awards for real property condemned for public purposes should not exceed three times average assessed valuation of property over a ten year period preceding condemnation.
3. Section 5146 of Revised Laws of Hawaii 1945 be amended so as to amend requirement that tax commissioner keep records showing "consideration given to elements of value which have influenced values determined" to read "methods used in determining said value".
4. Section 73 (j) of Organic Act be amended to establish "fair price of land" to mean 60 per cent of current market value.
5. In case of tax appeal, the applicant be required to provide prima facie evidence that assessment is faulty before tax review board or tax appeal court will accept the appeal.
6. Provision setting ceilings on real property tax collections in each county be abolished.
7. In appeal procedure before tax appeal board, assessment of tax commissioner be deemed correct until proven otherwise.
8. A five year tax exemption be granted for new improvements on all agricultural lands, including pastoral lands.
9. In order to encourage land improvements, basic property tax rate on agricultural and pasture lands be reduced to 75 per cent, provided certain improvements are made.

- IX. Soil Conservation.** It was recommended that:
1. A program for encouraging eradication of noxious plants on private lands and leased public lands, be established, to be administered by board of agriculture and forestry.
 2. The board be directed to develop a program for the purpose of eradicating from forest reserves all noxious weeds, shrubberies, trees, etc.
- X. Forest Reserve.** It was recommended that:
1. Section 5152 of the Revised Laws of Hawaii 1945 be amended to require a person seeking tax exemption on forest lands to sign 30 year agreement and to transfer to the Territory, as a condition of exemption, all water rights and other rights, except the right of access and right of way.
- XI. Land for Settlement.** It was recommended that:
1. A comprehensive land-use classification survey be undertaken immediately.
 2. In making additional lands available for housing or cultivation, first consideration be given to public lands.
- XII. Public Lands of Hawaii.** It was recommended that:
1. Immediate steps be taken to collate data on public lands for negotiations with federal government concerning the return of certain lands and property to people of Hawaii when statehood is granted.
- XIII. Administration of Public Lands.** It was recommended that:
1. Congress be memorialized to amend Organic Act so as to transfer powers now delegated to commissioner of public lands and land board to legislature.
 2. Congress be memorialized to amend Organic Act to create public lands commission, to abolish land board, and to create position of superintendent of public lands.
- XIV. Revision of Land Laws.** It was recommended that:
1. A land laws revision commission be established to revise present land laws without changing substance, and to propose improvements in said laws for consideration by legislature.
- XV. Miscellaneous.** It was recommended that:
1. Section 73 (1) of the Organic Act be amended to permit sale of public lands for any purpose deemed by commissioner of public lands to be necessary in interest of proper development of community in which said land is located.

2. The Organic Act be amended to require consent of legislature for any transfer of public lands to, or exchanges with, any county government, or for exchanges with individuals or corporations.
3. The board of agriculture and forestry be authorized to stock game reserve at Pahakuloa, Hawaii with axis deer and mountain sheep.
4. Act 114 of the Session Laws of 1949 be amended to provide larger licenses for commission merchants, to require \$5,000 surety bond of them, and to increase penalty for violation of commission marketing law.
5. Further efforts be made to stimulate and promote cooperative marketing by farm producers.
6. Industry-wide promotional programs for island products be instituted.
7. Immediate steps be taken to improve farm credit facilities of the Territory.

B. The Subcommittee recommended that the following measures be filed:

1. HR No. 6 -- Study of sale and lease of public lands.
 HR No. 7 -- Study of terms of public land leases.
 HR No. 17 -- Classification of public lands.
 HR No. 44 (1st spec. sess.) -- Utilization of public lands investigation.
 HR No. 48 (1st spec. sess.) -- Utilization of public lands investigation.
2. SB No. 525 -- Hawaii home development authority.
 SMC No. 165 -- Restrictive racial covenants.
 SR No. 21 (1st spec. sess.) -- Study of water rights, Iao Valley, Maui.
 SJR No. 3 (2nd spec. sess.) -- Hawaiian homes commission.

Digest of Recommended Measures:¹

I. Homesteading and Subsistence Homesteading.

Act No. 20 -- LAND SETTLEMENT AUTHORITY. Creates a land settlement authority, a public corporation headed by five commissioners appointed by the governor with the advice and consent of the Senate. Empowers authority to: create homesteads on territorial lands; enlarge and improve farm units; encourage better methods of cultivation; improve tenure conditions of persons occupying public lands; create, maintain and operate irrigation facilities.

Authority can acquire and transfer lands and exercise power of eminent domain. It is authorized to make or guarantee loans for purposes of Act and to make expenditures for said purposes from land settlement fund, created by earmarking 10 per cent of all rents from leases of public lands to sugar cane on pineapple plantations.

¹The "act" and resolution numbers by which the following measures are identified are those assigned by the Subcommittee in its mimeographed reports. The order in which these measures appear also follows the Subcommittee's reports, except that "acts" and resolutions are so grouped under each topical heading. The effective dates of the measures digested in this chapter are omitted when they are set at date of approval.

Transfer facilities of farm loan board to authority. Appropriates \$1,000,000 to authority for biennium 1951-53.

Joint Resolution No. 35 -- PROHIBITION AGAINST GRANTING PUBLIC LANDS TO ALIENS OR ALIEN CORPORATIONS. Requests Congress to amend Section 73 (g) of Organic Act to forbid sale or lease of public lands to any alien or to any corporation a majority of whose stock is held for or by aliens.

Joint Resolution No. 26 -- PURCHASE OF PUBLIC LANDS AT 60 PER CENT OF MARKET VALUE. Requests Congress to amend Section 73 of the Organic Act to empower land commissioner to offer persons leasing public lands for agricultural purposes over period of 15 years option of purchasing land at 60 per cent of current market value. Land so purchased by any person or family limited to 30 acres.

Joint Resolution No. 30 -- SALE OF PUBLIC LANDS TO QUALIFIED FARMERS. Requests Congress to amend Section 73 (i) of the Organic Act to authorize commission of public lands to sell said lands to qualified farmers. (Present provision further requires farmer to be recipient of loan under federal Bankhead-Jones Farm Tenant Act.)

Joint Resolution No. 27 -- SALE OF PUBLIC LANDS TO QUALIFIED HOMESTEADERS WITHOUT USE OF DRAWING OR LOT. Requests Congress to amend Section 73 (i) of the Organic Act to authorize commissioner of public lands to sell lots to qualified homesteaders for cash, without recourse to drawing or lot (as required by present provision).

II. Housing and Houselots

Act No. 22 -- HOUSELOT DEVELOPMENT AID PROGRAM. Establishes "Houselot Development Aid Program" whereby Territory would bear half of costs of furnishing roads and utilities for new houselot subdivision. Appropriates \$_____ for program, to be administered by commissioner of public lands. When houselots are placed on market, requires separate statement of initial cost (without utilities). Seller forbidden to add to said price more than his portion of utilities' cost.

Act No. 1 -- SALE PRICE OF RESIDENCE LOTS. Requires public lands sold for residence purposes to be sold at current appraisal value, including cost of installing utilities, said value to be determined by three disinterested and qualified appraisers.

Act No. 4 -- TENANT SELECTION BY HAWAII HOUSING AUTHORITY. Directs Hawaii housing authority to give initial priority in selecting tenants for public housing developments to persons removed from their homes as a result of slum clearance and other projects undertaken under Urban Redevelopment Act of 1949.

Joint Resolution No. 36 -- HOMES FOR VETERANS. Requests Congress to amend Section 73 of the Organic Act to authorize commissioner of public lands to open houselot sites on public lands in each representative district, for purchase by veterans only, for 10 year period beginning December 31, 1951. Lots are to be sold at 10 per cent of appraised value.

Joint Resolution No. 31 -- SALE OF PUBLIC LANDS TO HOMESTEADERS. Requests Congress to amend Section 73 of the Organic Act to give persons homesteading on public lands over 15 year period option to buy lands at 60 per cent of appraised value.

Concurrent Resolution No. 39 -- HOMESITE SUBDIVISIONS FOR VETERANS. Requests commissioner of public lands to set aside one-third of houselots in new public lands homesite subdivisions for purchase by war veterans.

III. Urban Redevelopment.

Act No. 24 -- AMENDING URBAN REDEVELOPMENT ACT OF 1949. Amends Urban Redevelopment Act of 1949 to adjust it to requirements of Federal Housing Act of 1949, so that subdivisions of Territory may obtain grants under said federal act. Among major amendments, specifically authorizes redevelopment agency: (1) to exercise powers of eminent domain; (2) to sell or lease property at "fair" value, regardless of cost; (3) to borrow money or accept grants from federal government or other public or private bodies; and (4) to issue revenue and refunding bonds.

IV. Hawaiian Homes Commission.

Joint Resolution No. 37 -- REQUESTS CONGRESS TO AMEND HAWAIIAN HOMES COMMISSION ACT so as to: (1) change "Hawaiian Homes Commission" to "Hawaiian Homes Authority"; (2) require representation of each county in five-member authority (there is no county residence for present commissioners); (3) empower authority to establish and enforce standards of land usage for lands leased by it, to issue revenue bonds, and to dispose of land under its jurisdiction with consent of Congress; (4) increase percentage of sugar-cane land lease rentals earmarked for Hawaiian home-loan fund from 30 to 50 and increase maximum size of fund from \$2,000,000 to \$10,000,000; (5) increase maximum limit of Hawaiian home land loans from \$3,000 to \$15,000 for agricultural or pastoral land and from \$1,000 to \$5,000 for residence lots; and (6) reduce interest rates on such loans from 3 to 1-1/2 per cent. Amends definition of "native Hawaiian" to require minimum of one-quarter of Hawaiian blood (now one-half).

V. Resources Planning and Development.

Act No. 18 -- HAWAII RESOURCES DEVELOPMENT COUNCIL. Establishes 11-member council, consisting of superintendent of public works, president of board of agriculture and forestry, director of University of Hawaii agricultural experiment station, chairman of public lands commission, chairman of (proposed) land settlement authority, respective chairmen of four county resource development or planning commissions, all serving ex-officio, and two members to be appointed by governor with the consent of Senate. Authorizes council to encourage the establishment of, and cooperate with, local planning agencies. Transfers functions of inoperative territorial planning board to council and appropriates \$500,000 to council for 1951-53 biennium.

Establishes local planning councils for Hawaii, Maui, and Kauai, each consisting of county engineer, chairman of the county board of water supply, plus five members to be appointed by the chairman of the board of supervisors. Changes title of "Honolulu city planning commission" to "city and county planning commission" and expands jurisdiction of commission to include rural as well as urban Oahu.

VI. Water Development.

Act No. 23 -- COUNTY WATER SUPPLY SYSTEMS. Finds that several areas in Territory are inadequately served by existing water systems and that it is the responsibility of the counties to provide water supply service, where demanded, even if particular areas cannot pay entire cost of such service. Creates Kauai waterworks board; requires Honolulu board of water supply to serve entire Oahu.

Mandates board of supervisors in each county to appropriate annually following funds for maintenance and repair of county water supply system: Honolulu, \$500,000; Hawaii, \$150,000;

Maui, \$100,000 (now \$250,000); and Kauai, \$75,000. Appropriates \$5,250,000 for subsidization of county water supply systems, to be allocated as follows: Honolulu, \$2,000,000; Hawaii, \$1,500,000; Maui, \$1,000,000; and Kauai, \$750,000. Authorizes bond issue to provide funds so appropriated.

Concurrent Resolution No. 40 -- TERRITORY'S RIGHT TO BUY CERTAIN WATERS. Requests land commissioner to include in future agreements with persons transmitting water over public lands provision reserving right to Territory to buy water from conduits used and to transfer such right to any lessee or purchaser.

VII. Land Tenure.

Act No. 2 -- ACTIONS OF EJECTMENT. Increases from 30 to 90 days period between posting of notice and the acceptance of jurisdiction by court in actions of ejectment to enforce the right of possession of agricultural lands.

Concurrent Resolution No. 41 -- SURETY BOND FOR PUBLIC LAND LEASES. Requests land commissioner to require each lessee of public lands to post surety bond for payment of rental, in amount twice the sum of annual rental. Present performance bonds to be discontinued.

Concurrent Resolution No. 42 -- RENT REDUCTIONS. Requests land commissioner to formulate and inaugurate a program granting rent reduction or forgiveness to lessees of public lands who improve said lands during occupancy.

VIII. Land Valuation and Taxation.

Act No. 8 -- CEILING AWARD ON CONDEMNED REAL PROPERTY. Maximum award for real property condemned for public purpose not to exceed 300 per cent of assessed valuation averaged over ten year period next preceding date of issuing summons.

Act No. 11 -- TAX ASSESSMENT RECORDS. Deletes requirement that tax commissioner cause to be kept in each division records showing "consideration given to elements of value which have influenced the value determined," instead merely requiring recording of "methods used in determining said value."

Act No. 14 -- TAX APPEALS. No taxpayer to have hearing before board of review unless he first presents prima facie evidence that his property tax assessment is faulty; no appeal to be entertained by any court unless taxpayer presents prima facie evidence that his tax has been incorrectly assessed. Deposit for cost of appeals to be same for board of review as for tax appeal court, one-fifth of one per cent of valuation in dispute, for real property appeals.

Act No. 9 -- REAL PROPERTY TAX. Removes ceiling on real property tax collections. Effective January 1, 1952.

Act No. 6 -- REAL PROPERTY ASSESSMENT APPEALS. Real property tax assessment made by assessor to be deemed correct by board of review for each tax division unless proven otherwise. Board to be governed by law in changing any assessment.

Act No. 3 -- PROPERTY TAX EXEMPTION. New improvements upon agricultural and pastoral lands to be exempt from property tax for maximum of five years from December 31 after claims are filed. Exemption claims to be allowed and certified in writing by tax commissioner if he finds improvements will add to assessed valuations. Claims must be filed within six months of completion of improvements.

Act No. 15 -- TAX REDUCTION ON IMPROVED AGRICULTURAL LAND. Agricultural lands, free of noxious plants (as designated by board of agriculture and forestry) and in cultivation, and pastoral lands planted in range grasses or other forage crops on January 1, to be exempt from one-fourth total property tax (coffee lands excepted). Claimant to file with tax commissioner sworn statement that above conditions and requirements under section 5147 have been met. Effective on approval and repeal of property tax ceilings.

Act No. 7 -- REAL PROPERTY TAX. Real property to be subject to annual tax upon 60 per cent of property's current market value, to be determined by tax commissioner's office in manner provided by law, instead of on "fair and reasonable value" of property. Effective January 1, 1952.

Joint Resolution No. 33 -- ALLOCATION OF PUBLIC LEASEHOLDS. Selection of persons to receive leases to agricultural public lands to be made by drawing or lot, not auctioned, as at present, to highest bidder. Person may not take another such lease within 12 months except on an adjacent tract, and only if two tracts are to be used jointly as houselot. Sale price of houselot to homesteaders to be determined by three appraisers, appointed by governor with approval of Senate, who have knowledge of appraising methods, are not engaged in real property business, and are financially disinterested in appraisal.

Joint Resolution No. 29 -- SALE PRICE OF HOMESTEADED LANDS. Memorializes Congress to amend Organic Act to allow land commissioner to give preference right to homesteader to purchase homesite at price equal to 60 per cent of current market value (instead of "fair and reasonable price"); value to be determined by three disinterested appraisers.

Joint Resolution No. 34 -- REDUCTION OF FEDERAL TAX ON CERTAIN CAPITAL GAINS. Memorializes Congress to reduce by 50 per cent, for a period of 10 years, federal tax on capital gains realized from sale of portions of large land holdings to Territory. Reduction to be effective only if governor certifies sales made for purpose of making land available in small economic units to people and in public interest.

IX. Soil Conservation.

Act No. 17 -- ERADICATION OF NOXIOUS PLANTS ON PRIVATE AND LEASED PUBLIC LANDS. Territorial entomologist required to declare infested and noxious plants a nuisance and make such findings freely available; to assist landholders in detecting said plants and developing eradication plans. Board of agriculture and forestry required to supervise eradication program and review plans and costs submitted by landholders; may approve plans in writing. Upon completion of project, board to pay 30 per cent of actual cost, providing it does not exceed plan estimates. Appropriates \$100,000 to board.

Act No. 12 -- FOREST RESERVES, NOXIOUS PLANT ERADICATION. Directs board of agriculture and forestry to establish comprehensive program for eradication from all territorial forest reserves of plants declare by it to be noxious. Necessary funds to be requested by president of board as special item in board's budget.

X. Forest Reserve.

Act No. 10 -- TAX EXEMPTIONS ON FOREST LANDS. Continues, with new set of conditions, policy of exempting from territorial taxes forest lands the non-use of which is certified by board of agriculture and forestry as beneficial to public. Owner claiming exemption required to transfer in writing to Territory, for a minimum of 30 years, all rights except that of access, and to refrain from all use of said land. Violator of agreement liable to fine, twice the amount of current and past taxes which would have been assessed and loss of exemption privileges for five years.

XI. Land for Settlement.

Concurrent Resolution No. 38 -- SALES POLICY FOR PUBLIC LANDS. Requests governor and commissioner of public lands to establish a comprehensive land sales policy, providing for sale in fee simple and in small economic units of all territorial lands, except certain areas required for public purposes.

XII. Public Lands of the State of Hawaii.

A bill identical with Act 16 in topic XIV, below.

XIII. Administration of Public Lands.

Act No. 19 -- PUBLIC LANDS COMMISSION. Creates seven-member public lands commission, in place of present six-member public lands board, to be appointed by governor with consent of Senate. Replaces office of commissioner of public lands with "superintendent of public lands", to serve as executive officer of commission.

Joint Resolution No. 28 -- LEGISLATIVE AUTHORITY OVER MANAGEMENT OF PUBLIC LANDS. Memorializes Congress to amend Organic Act to give legislature (instead of land board) authority over territorial lands, except those set aside for specified public purposes.

XIV. Revision of Land Laws.

Act No. 16 -- LAND LAWS REVISION COMMISSION. Creates a land laws revision commission composed of land commissioner; attorney general or his representative; two senators appointed by Senate president; two House members appointed by speaker; and three citizens, one to be designated chairman, appointed by governor with Senate approval; commission to choose own vice-chairman. Legislative and gubernatorial appointees to receive \$5 per day for service in own county, \$20 when outside; also travel expenses.

Commission required to compile and codify all territorial public and private land laws, making improvements in clarity and style without changing substance; to present printed code reporting all changes to members of 1953 legislature at least 30 days prior to its convening. Commission may propose amendments to land laws. Appropriates \$50,000 to commission, which may employ a staff.

XV. Miscellaneous.

Act No. 13 -- GAME PRESERVE AT POHAKULOA, HAWAII. Appropriates \$3,000 for stocking game reserve at Pohakuloa, Hawaii, to be spent equally by board of agriculture and forestry for stocking axis deer and mountain sheep.

Act No. 21 -- REGULATION OF DEALER IN FARM PRODUCE. Makes certain changes relating to regulation of dealers in farm produce. Defines "commission merchant", "dealer", "broker", "agent", and "consignor"; deletes definition of "produce dealer". Increases annual license fee from \$25 to \$250 for commission merchants and provides \$15 fee for dealers, brokers, and agents, with 40 per cent penalty for failure to renew license within 30 days; outlines licensing procedure. Requires \$5,000 surety bond of commission merchants (prior to licensing), bond to be to Territory in favor of producer-consignor of farm products. Outlines action upon said bond; upon action, director of division of marketing to require new bond within 10 days, failure to provide to constitute grounds for license suspension or revocation. Increases penalty for conviction of misdemeanor from maximum of \$500 to \$1,000 or one year imprisonment or both. Effective July 1, 1951.

Act No. 5 -- AGRICULTURAL EXPERIMENT STATION BRANCH AT HILO. Directs University of Hawaii board of regents to establish an agricultural experiment station at Hilo. Appropriates \$100,000 to University for establishing said branch and \$60,000 for its functioning during biennium 1951-53. Future budget requests to be included in University's budget.

Joint Resolution No. 25 -- SALES OF GOVERNMENT LANDS. Memorializes Congress to amend Organic Act to permit sale of government lands for any purpose deemed by land commissioner to be in public interest by aiding development of area.

Joint Resolution No. 32 -- PUBLIC LAND EXCHANGES. Memorializes Congress to amend the Organic Act to require legislative approval of government land exchanges (present authority of public land commissioner); no such exchange to be made except to acquire lands directly required for public uses.

Chapter IX

REPORT OF SUBCOMMITTEE ON STATEHOOD

The Subcommittee on Statehood was composed of the following six legislators: Representative Walter F. McGuire; Chairman (replacing Representative Hebden Porteus who resigned because of his duties as secretary of the Hawaii State Constitutional Convention of 1950); Representative Joseph Itagaki; Senator Herbert K. H. Lee; Representative Noboru Miyake (added in December, 1949); Representative Steere G. Noda; and Senator Charles H. Silva.

In accordance with Holdover Committee Resolution No. 48, an advisory group was appointed, consisting of the following seven persons: the president and vice-president of the Senate; the mayor of the City and County of Honolulu; the chairmen of the boards of supervisors of Hawaii, Maui, and Kauai; and the president of the University of Hawaii. Members of this group (certain outer-island appointees were unable to attend), together with the members of the Subcommittee, appeared in May, 1950 before the Committee on Interior and Insular Affairs of the United States Senate as a part of Hawaii's delegation which testified in favor of immediate statehood for Hawaii.

Summary of Subcommittee Report

The Subcommittee made no recommendations because ". . . it is felt that everything possible has been and is being done to further the cause of Statehood"

The Subcommittee reported as follows concerning its functioning:

The members of your Subcommittee have worked with all avenues for the cause of Statehood and much effectual work has been done, both in Congress and locally, through the Hawaii State Constitutional Convention of 1950 which deliberated from April 4th to July 22nd during which a proposed Constitution for the State of Hawaii was drafted, and which Constitution was submitted to a special session of the Twenty-fifth Legislature for ratification, and which was approved by this special session on October 13, 1950 for submission to the people of the Territory for approval at the general election

Chapter X

SUMMARY OF RECOMMENDATIONS AND DIGESTS OF PROPOSALS OF SUBCOMMITTEE ON SUBSTANTIVE MATTERS

The Subcommittee on Substantive Matters was composed of the following seven legislators: Representative Alfred A. Apaka, Chairman; Senator William J. Nobriga, Vice Chairman; Senator Ben Dillingham; Representative Walter F. McGuire; Representative Steere G. Noda; Representative Akoni Pule; and Senator Charles H. Silva.

This Subcommittee held 13 separate meetings, including three public hearings. It considered 25 measures and proposals and presented recommendations thereon. These recommendations and proposals are summarized below:

Summary of Subcommittee Recommendations

- A.e The Subcommittee on Substantive Matters recommended favorable consideration by the legislature of:
 - 1.e A bill creating the industrial loan guarantee fund, based upon consideration given HB No. 82, HD 2 (1st spec. sess.).e
 - 2.e Further study of the entire subject of unemployment compensation upon the outcome of which would rest proper and fully developed amendments to existing statutes; based upon consideration given HB No. 103 (1st spec. sess.), filed.e
 - 3.e A bill relating to real estate brokers and salesmen, based upon consideration given HB No. 447.e
 - 4.e A series of nine conclusions concerning the territorial boxing commission,e based upon study accorded HR No. 14 (1st spec. sess.). (See digest below.)e
 - 5.e Three bills concerning reckless driving, based upon consideration given Hold-over Committee Resolution No. 43 and SB No. 18 (2nd spec. sess.).e
 - 6.e A bill concerning questionnaires to prospective jurors, based upon consideration given a communication from Mr. Walter G. Robinson, chairman of the jury commission of Honolulu.e
 - 7.e A bill concerning the upkeep of certain cemeteries, based upon study accordede a communication from Mr. Alvaro dos Santos, caretaker of Aiea cemetery.e
 - 8. A bill concerning workmen's compensation, based upon consideration given HB No. 32 (1st spec. sess.).
 - 9. A bill relating to produce dealers, based upon study accorded HB No. 43 (1st spec. sess.).
 - 10.e A bill creating a commission to revise criminal laws and procedures, based upon consideration of SB No. 695.e

B. The Subcommittee recommended that the following measures be filed:

1. SB No. 342 -- Unfair trade practices.
SB No. 639 -- Minimum wages and maximum hours.
SB No. 681 -- Motor vehicle insurance fund.
SCR No. 1 (1st spec. sess.) -- Territorial unemployment.
SR No. 15 (1st spec. sess.) -- Survey of general economy.
SR No. 20 (1st spec. sess.) -- Study of boxing commission (see A, 4 above).
Sen. Dept'al. Com'cation No. 34 (1st spec. sess.) -- Territorial boxing commission.
SB No. 14 (2nd spec. sess.) -- Hawaiian visitors council.
2. HB No. 63 (1st spec. sess.) -- General excise tax.
HB No. 103 (1st spec. sess.) -- Unemployment compensation.
HB No. 113 (1st spec. sess.) -- Export subsidies.
HR No. 31 (1st spec. sess.) -- Profiteering during strike.
HR No. 46 (1st spec. sess.) -- Unemployment compensation.
3. Holdover Comm. Res. No. 57 -- Tourist industry.
Communication: Mr. H. H. Warner -- Taxation of Kona coffee.
Communication: Unemployed Workers' Organization -- Unemployment.
Communication: Hawaii ILWU Auxiliaries -- Unemployment.

Digest of Recommended Measures

INDUSTRIAL LOAN GUARANTEE FUND (as redrafted by Subcommittee). Territory to guarantee commercial loans to small businesses. Creates industrial loan guarantee board to administer act, five members to be appointed by governor with approval of senate for five year staggered terms, four members to represent business, industrial, and agricultural interests, one to come from membership of industrial research advisory board; treasurer and auditor to serve as ex-officio non-voting members. Board to designate own chairman and make necessary rules; travel expenses allowed.

Board to approve loans at its discretion only if loan serves purposes of act and could not be secured without territorial guarantee. Loans must be evidenced by approved obligations and bear a maximum annual interest of 4 per cent (or 5 per cent at board's discretion); interest to be paid in monthly or quarterly installments not less than six months after making loan, principal in monthly or quarterly installments not less than one year, loans to be repaid within ten years. Maximum loan \$10,000; maximum charge by lending institution to be \$15; cost of guarantee to borrower to be 1 per cent of loan. Liability of board not to exceed 50 per cent of unpaid balance. Board may purchase overdue notes and liquidate loans, making adjustments beyond ten year maturity limitation to avoid undue hardship upon businesses. Lender, subject to board rules and without affecting its obligation, may refinance loan within ten year limitation, installments not to be accelerated unless interest or principal installment due exceeds 60 days. Borrower may reduce loan at any time.

Appropriates initial \$500,000 to industrial loan guarantee fund to meet obligations of board; \$10,000 of fund available annually to pay expenses of board. All capital and revenues accruing to fund to be held in trust to meet board's obligations. Total contingent liability outstanding not to exceed \$2,000,000. Moneys not currently needed to be invested by treasurer in obligations authorized for employees' retirement funds. Effective on approval of Congress.

REAL ESTATE BROKERS AND SALESMEN (as redrafted by Subcommittee). Requires at least two members of real estate license commission to have engaged in business as licensed real estate brokers or salesmen for three years immediately prior to appointment, any two members to constitute quorum.

Extends present rule-making authority of commission, which may forbid practices detrimental to purposes of law; may require brokers and salesmen to make information reports to commission and to clients. Commission empowered to suspend or refuse license for violation of law or rules. Commission may revoke or suspend licenses for following causes (in addition to existing causes): (1) broker or salesman employing an unlicensed person; (2) salesman attempting to act as broker; (3) violation of rules; (4) splitting fees with unlicensed person; and (5) licensee commingling his own money or property with that of his principal. Maximum duration of suspension, two years; minimum wait for license after revocation, two years.

Commission may publish and distribute pamphlets as necessary; may appoint administrative assistants (in addition to clerical assistants, as now). One dollar fee for reissuance of license in designated circumstances. Licensee to be at least 20 years of age. Effective on approval.

MOTOR VEHICLE RESPONSIBILITY. Clarifies terminology to permit chief of police to fix amount of security required of vehicle operator or owner if he has not filed satisfactory evidence of security, although amount required is less than \$100. Effective on approval.

PROOF OF FINANCIAL RESPONSIBILITY. Person whose operator's license has been suspended, as well as one whose license has been revoked, must furnish and thereafter maintain proof of financial responsibility before license may be reissued. If by reason of conviction of heedless driving, speeding, or of three offenses within a year the appropriate court does not suspend or revoke the license, the chief of police is required to suspend license within 30 days, unless person furnishes and thereafter maintains proof of financial responsibility. Cancels existing suspensions or revocations of operator's license by chief of police for conviction of other offenses. Effective on approval.

RESPONSIBILITY, OPERATOR OF PUBLIC VEHICLE. Operator of public-owned vehicle required to furnish and maintain financial responsibility upon conviction of offense (as required of all operators). Effective on approval.

PROSPECTIVE JUROR QUESTIONNAIRES. Jury commission may distribute questionnaires to prospective jurors and grand jurors who, upon receipt, must complete and return questionnaires within ten days. Court empowered to punish for contempt persons failing to return questionnaires. Effective on approval; but applicable only to jurors for any term of court subsequent to approval.

UPKEEP OF CERTAIN OAHU CEMETERIES. Superintendent of public works to appoint part-time employees, exempt from civil service regulations and ineligible for retirement system membership and territorial bonus, to maintain the following cemeteries at monthly rates specified: Puukamali (\$50), Makiki (\$150), and Aiea (\$50). Appropriates \$6,000 for 1951-53 biennium. Effective on approval.

WORKMEN'S COMPENSATION. Compensation for loss of first phalanx of finger to equal compensation for loss of one-half finger, instead of three-fourths finger. Also makes terminology changes in existing death benefits to meet intent of previously enacted legislation, namely that benefits may not exceed \$10,500 and compensation for permanent partial disability and temporary total disability together may not exceed \$10,500. Effective on approval.

PRODUCE DEALERS. Redefines "produce dealer" to include processors of poi and defines "retail produce dealer" and "wholesale produce dealer". Sales to armed forces of United States, restaurants, hotels, hospitals, and other institutions not retail sales. Wholesale dealers to pay license fee of \$25 upon filing application; retail dealers to pay no fee. Deletes provision for renewal fees. Effective on approval.

REVISION OF CRIMINAL LAWS AND PROCEDURES. Creates Hawaii commission on criminal law revision, composed of six appointees of governor and Honolulu public prosecutor, for term ending May 1, 1953. Legislative reference bureau to provide assistance at request of commission.

Authorizes and requires commission (1) to examine criminal laws and procedures and pertinent judicial decisions of Hawaii and other jurisdictions to discover means of improving criminal law and its administration in Territory; (2) to seek and receive suggestions from interested and qualified persons and organizations; (3) to assist the territorial supreme court in formulating rules of procedure and administration in field of criminal law; (4) to compile data and formulate and assist in adoption of proposed new laws, ordinances, rules and principles concerning criminal laws; and (5) to report its actions and recommendations to the legislature. Appropriates \$_____ for work of commission. Effective on approval.

Digest of Other Recommendations

INVESTIGATION, TERRITORIAL BOXING COMMISSION. The Subcommittee, having held six hearings, made the following findings:

- 1.a ". . . the Chairman of the territorial boxing commission . . . assured [the Subcommittee] that at no time did he intend any reflection on the integrity, ability or character of Representative Kauhane."a
- 2.a Subcommittee recognizes commission's authority over seats immediately surrounding the prize ring, but would expect person criticized by commission to have opportunity to correct actions.a
3. Concerning charges, Subcommittee finds: "The Commissioners are men of integrity, and . . . they have acted in good faith as they saw their duty. . . . Some of this criticism is based upon misunderstandings, and as to other criticism, perhaps the Commission itself will be the first to recognize that it may have been unfounded.
- 4.a ". . . that there should be an opportunity afforded to any person to file charges with the Commission involving any licensee of that body . . . that the Commission would be well advised, in case some of these charges are filed against some of the licensees, to have an independent investigation made of all of these charges.a
5. ". . . those charges which involve a matchmaker . . . should be filed, in writing, with the Commission.
- 6.a ". . . if such charges [see 5 above] are made and there is to be an investigation,a . . . the chairman of the Commission, if they choose to select an independent investigating group to report to them, [is urged] to consult with the chairman of this a Subcommittee with respect to the personnel of the committee.a
- 7.a ". . . there is a disposition on the part of the Committee to ask that insofar as any a resignations of Commissioners are filed with the Governor a that the Governor be a asked to act promptly on such as may be presented.a

8. "... that there should be more than one promoter in the field. It is not recommended that there be three promoters . . . Your committee recommends . . . to the Commission that it proceed as expeditiously as possible in the determination of such other promoter, or promoters, as they may see fit to license.
9. " . . . in the meantime, it is hoped that the Commission will give some attention to providing some other means whereby boxers and their managers will be able to show their talents without having to be concerned with but one promoter . . . [the Subcommittee] feels that the Commission can work out such a matter in a satisfactory fashion."

Chapter XI

SUMMARY OF RECOMMENDATIONS AND DIGESTS OF PROPOSALS OF SUBCOMMITTEE ON UN-AMERICAN ACTIVITIES

The Subcommittee on Un-American Activities was composed of the following four legislators: Representative Charles E. Kauhane, Chairman; Senator Manuel Aguiar, Jr., Vice-Chairman; Representative Allan H. Ezell; and Representative Noboru Miyake.

This Subcommittee held four meetings, considered three measures and proposals, and made several recommendations. These recommendations and proposals are summarized below.

Summary of Subcommittee Recommendations

- A. The Subcommittee on Un-American Activities recommended favorable consideration by the legislature of:
 - 1. SB No. 566 (SD No. 1) creating a security board.
 - 2. Legislation embodying four principal provisions concerning Un-American Activities. (See digest below.)
- B. The Subcommittee recommended that the following measures be filed:
 - 1. SJR No. 27 -- Fact-finding committee on Un-American activities.
 - 2. Senate Misc. Communication No. 25 re allegation of Un-American activities.

Digest of Recommended Measures

SECURITY BOARD (SB No. 566). Provides no person, at any time during previous five years a member of communist party or organization, as defined, to be employed by or continued in employment of territorial or local governments. Creates a territorial security board of three members, to be appointed, one as chairman, by governor with approval of Senate, to serve four-year terms. Majority to constitute quorum; only expenses allowed.

Board to investigate employees reported or suspected of having past or present communist affiliations; record all evidence, hold hearings, subpoena witnesses, and compel production of necessary papers; administer oaths; determine communist affiliation and report findings to governor. Board may make necessary rules and employ assistants (subject to civil service regulations).

Governor required to review findings of board showing communist affiliation and, if he affirms, to discharge employee (notwithstanding civil service rights) and so inform auditor. Auditor prohibited from paying for any services rendered thereafter. All territorial and local agencies to assist board; circuit judges to compel obedience to board and punish refusal as a contempt.

Employee to be informed by board at least five days before determination of communist affiliations. Employee may within three days request hearing, board to give three days notice

of such hearing at which employee may testify and present pertinent evidence. Discharged employee to receive all moneys due him for past service, including accrued leave and retirement moneys with interest. No court to hear any claim for an office or compensation by discharged employee.

Appropriates \$25,000 for biennium to board. Effective on approval.

Digest of Other Recommendations

The Subcommittee recommended that the following provisions be included in legislation to be prepared for submission to the Twenty-sixth Legislature:

- 1.e "Making unlawful, punishable by heavy fine or imprisonment, or both, activities including conspiracies to establish or looking toward the establishment of a totalitarian dictatorship in the Territory of Hawaii;
- 2.e "Providing loss of citizenship upon conviction of any offense relating to Un-American Activities;
- 3.e "Making it unlawful for any individual to become or remain a member of a Communist political organization if the organization is not registered as such and in accordance with the laws of the Territory;
- 4.e "Requiring registration with the Treasurer of the Territory or the Secretary of Hawaii, of Communist political organizations. Such registration is to be accompanied by a statement, and annual reports thereafter, giving names and addresses of officers of the organization; and in the case of a Communist political organization, but not in the case of a Communist-front organization, names and addresses of members."

Chapter XII

SUMMARY OF RECOMMENDATIONS AND DIGESTS OF PROPOSALS OF SPECIAL SUBCOMMITTEES

Certain problems arose in the community during the life of the Holdover Committee which came before this interim group, but which did not fit conveniently into the pattern of subcommittee assignments. Consequently, two ad hoc subcommittees were established to inquire into the special areas of (i) construction of the Nuuanu highway and (ii) fire prevention in public buildings. Each of these special subcommittees submitted a final report to the Holdover Committee. These reports are summarized below.

1. Subcommittee on Nuuanu Highway.

The Special Subcommittee on the Nuuanu Highway created by Holdover Committee Resolution No. 30, was composed of the following eight Oahu legislators: Senator William H. Heen, Chairman; Senator Neal S. Blaisdell; Senator Ben Dillingham; Representative Hiram L. Fong; Representative Joseph Itagaki; Representative Charles E. Kauhane; Senator Herbert K. H. Lee; and Representative Steere G. Noda.

Although no measures were referred to the Subcommittee, it received from the Holdover Committee various communications, petitions, and resolutions relating to the Nuuanu and Kalihi tunnels and approach roads. A public hearing was held on December 28, 1949, at which time the views of various public officials, representatives of interested organizations, and Nuuanu Valley residents, who presented pros and cons on the subject, were heard. Consequently, the Subcommittee took the matter under advisement.

“However, [quoting the Subcommittee’s report] at about this time, suits were filed in the local court to restrain the Territorial government from proceeding further with their proposed plan for the Nuuanu approach roads, and since the matter was thus in litigation, your Committee felt that there was nothing further it could do.” The Subcommittee therefore made no recommendations and ordered the various petitions, resolutions, and communications referred to it to be filed.

2. Subcommittee on Fire Prevention.

The Special Subcommittee on Fire Prevention was composed of the following nine Oahu legislators: Senator Herbert K. H. Lee, Chairman; Senator Neal S. Blaisdell; Senator Ben Dillingham; Representative Hiram L. Fong; Senator William H. Heen; Representative Joseph Itagaki; Representative Charles E. Kauhane; Representative Steere G. Noda; and Representative Hebdon Porteus.

The Subcommittee held five separate sessions and considered nine topics within its area of study. Its investigations resulted in a series of five recommendations. Recommendations and proposals are summarized below.

Summary of Subcommittee Recommendations

A. The Special Subcommittee on Fire Prevention recommended favorable consideration by the legislature of:

1. “. . . Providing the necessary funds for rewiring and protective devices in territorial buildings.” (Estimated cost: \$311,000.)

2. Its recommendation “. . . that the City and County of Honolulu modernize its building code at the earliest possible date and that the counties of Maui and Kauai adopt modern building codes drafted to meet local conditions.”
 3. A bill vesting complete authority and responsibility for fire prevention in the office of the territorial fire marshal. (See digest below.)
 4. A bill providing for the elimination of all fire prevention inspector positions in the fire departments of the City and County of Honolulu and other counties and transferring them to the fire marshal's staff. (See digest below.)
 5. Its proposal that fees be charged for issuing of [building] licenses and permits and that said fees be supplemented by an adequate appropriation to provide sufficient equipment and personnel for the office of fire marshal.
- B. No measures were recommended for filing by the Special Subcommittee.

Digest of Recommended Measures

FIRE PREVENTION. Fire marshall to designate and assign deputies to inspect (periodically, as at present) all buildings and public thoroughfares, except interiors of private dwellings, in order to ascertain fire hazards and violations of law. Deputies (instead of fire department chiefs) to keep written inspection reports and order elimination of hazards. Deletes provision for ex-officio deputy fire marshals. Effective July 1, 1951.

TRANSFER OF FIRE PREVENTION INSPECTORS. Abolishes city and county and county fire inspector positions. Employees holding such positions transferred, upon approval of respective department chiefs, to office of territorial fire marshal. Said employees may remain in present department if another position is open there. Transfer to territorial civil service not to affect status of employees or reduce their compensation. Effective July 1, 1951.

Digest of Other Recommendations

FIRE MARSHAL'S STAFF. The Special Subcommittee on Fire Prevention recommended that all county fire inspector positions be eliminated and such personnel be transferred to the fire marshal's staff. Transfers to be effected at the option of persons concerned and subject to concurrence of their department heads. It recommended the following new positions in the office of the fire marshal:

Proposed new positions, biennium 1951-53:

1 fire and arson investigator	IN-7	\$ 8,370.00
4 fire inspectors (transferees)	IW-6	30,440.00
1 accounts clerk	CAF-4	5,370.00
1 stenographer	CAF-3	4,960.00
		\$49,140.00
Total		

Including existing staff, this would make a total of 10 positions in the office of the fire marshal. (The average number of employees in fire marshal offices on the mainland was stated to be 15.)

(HONOLULU FIREBOAT. The Holdover Committee itself considered a related matter at its final meeting on February 12, 1951. At that time it recommended to the legislature that the fireboat recently purchased by the board of harbor commissioners be operated by Honolulu fire department. This recommendation resulted from consideration given a communication received from the Propeller Club of Honolulu.)

PART III
STAFF AND FINANCES
OF THE HOLDOVER COMMITTEE
OF 1949

Table 3

STATEMENT OF APPROPRIATION, EXPENDITURES,
AND BALANCES OF HOLDOVER COMMITTEE OF 1949
(as of February 12, 1951)

Total appropriation to Committee	\$ 150,000.00
Total expenditures	136,297.61
	<u>Balance</u> \$ 13,702.39

Summary of expenditures:

1.	Salaries of staff	\$81,057.22
2.	Operating expenses:	
	Stationery and Supplies	\$5,697.87
	Printing and binding	17.33
	Telephone, telegraph and postage	5,464.54
	Transportation of members' records	11.33
	Advertising	131.20
	Equipment	495.01
	Rental of equipment	776.55
	Repairs	502.43
	Miscellaneous current expenses	169.08
		<u>13,265.34</u>
3.	Travel and subsistence	31,360.73
4.	Services:	
	EBASCO Services, Inc.	1,614.32 ^a
	Legislative Reference Bureau	9,000.00 ^b
		<u>10,614.32</u>
	<u>Total Expenditures</u>	<u>\$136,297.61</u>

Source: Accounts Clerk, Holdover Committee of 1949

a Amount expended to date; \$10,000.00 allocated.

b Amount allocated; balance of \$4,777.22 remaining (see text).

EXPENDITURES OF HOLDOVER COMMITTEE One hundred and fifty thousand dollars was allocated to the Holdover Committee by the Twenty-fifth Legislature. (As remarked in Chapter I, an additional \$23,182, being the unexpended balance of the sum appropriated for the expenses of the Legislature, was available to the Committee, but was not utilized.)

Expenditures from this appropriation are shown in the accompanying Table 3. It will be noted that as of February 12, 1951, the Committee's accounts showed a positive balance of \$13,702.39. To this should be added the sum of \$4,777.22 (less the cost of printing this report) remaining of the Committee's total allotment to the Legislative Reference Bureau. All balances remaining after payment of outstanding bills and other claims for services rendered to the Holdover Committee of 1949 will revert to the territorial treasury.

APPENDIX

Checklist Showing Disposition of All Measures Referred to Holdover Committee of 1949 by the Twenty-fifth Legislature, Including Communications Referred to Subcommittees

I. Referred by Regular Session of 1949 A. Senate Bills and Resolutions

<u>Number</u>	<u>Short Title</u>	<u>Subcommittee Reference</u>	<u>Action on Measure by Holdover Committee</u>
SB No. 7	Membership in the Employees' Retirement System	Civil Service	Filed; recommended similar bill; see Chap. III.
SB No. 9	Death Benefits in the Employees' Retirement System	Civil Service	Filed; recommended similar bill; see Chap. III.
SB No. 320	Sick Leave	Civil Service	Filed.
SB No. 331	University Regents' Powers	Education	Recommended similar bill; see Chap. IV.
SB No. 342	Unfair Trade Practices	Substantive Matters	Filed.
SB No. 345	Relating to Ala Wai Golf Course	Gov'tal Efficiency	Recommended new bill; see Chap. V.
SB No. 405	Shore Waters Investigation Board	Harbors & Airports	Made recommendations; see Chap. VI.
SB No. 418	Salaries of District Magistrates	Gov'tal Efficiency	Filed.
SB No. 450	Government of County of Hawaii	Gov'tal Efficiency	Filed.
SB No. 459	Elimination of Personnel Classification Board	Civil Service	Filed; made recommendations; see Chap. III.
SB No. 460	Salary Standardization Plan	Civil Service	Filed; similar bill transmitted; see Chap. III.
SB No. 490	Public Contracts	Gov'tal Efficiency	Filed.
SB No. 511	Taxes on Air Transportation	Harbors & Airports	Filed.
SB No. 512	Aircraft Landing Fees	Harbors & Airports	Filed.
SB No. 524	Mainland Education for Students in Specialized Fields	Education	Recommended similar bill; see Chap. IV.
SB No. 525	Hawaii Home Development Authority	Public Lands	Filed.

Appendix (continued)

<u>Number</u>	<u>Short Title</u>	<u>Subcommittee Reference</u>	<u>Action on Measure By Holdover Committee</u>
SB No. 566	Un-American Activities Security Board	Un-American Activities	Recommended similar bill; see Chap. XI.
SB No. 569	Motor Vehicle License Plates	Gov'tal Efficiency	Filed; recommended new bill; see Chap. V.
SB No. 583	Tuberculosis Hospitals	Health & Welfare	Filed.
SB No. 602	Old Age Assistance Liens	Health & Welfare	Filed.
SB No. 639	Labor: Minimum Wages & Maximum Hours	Substantive Matters	Filed.
SB No. 642	Public Salaries: Increase and Bonus	Civil Service	Filed.
SB No. 647	Government of Maui	Gov'tal Efficiency	Filed; Senator Ansai to report to legislature.
SB No. 681	Motor Vehicle Insurance Fund	Substantive Matters	Filed.
SB No. 694	Temporary Monetary Transfers or Loans, Honolulu	Gov'tal Efficiency	Recommended redrafted bill; see Chap. V.
SB No. 695	Criminal Law Study	Substantive Matters	Recommended similar bill; see Chap. X.
SJR No. 27	Un-American Activities: Joint Fact-finding Committee	Un-American Activities	Filed.
SJR No. 36	Public Service Training Program at University	Civil Service	Filed.
SJR No. 40	Hospital and Medical Care for Needy	Health & Welfare	Recommended redrafted bill; see Chap. VII.
SCR No. 13	Transfer of Aiea Naval Hospital	Health & Welfare	Filed.
SCR No. 47	Harbor Facilities Study	Harbors & Airports	Filed; recommended similar bill drafted by attorney general; see Chap. VI.
SR No. 75	Civil Service Investigation	Civil Service	Filed.
<u>B.e House Bills and Resolutionse</u>			
HB No. 59	Classification of Professional Employees in Department of Public Instruction.	Civil Service	Filed.

Appendix (continued)

<u>Number</u>	<u>Short Title</u>	<u>Subcommittee Reference</u>	<u>Action on Measure By Holdover Committee</u>
HB No. 152	Protection of Civil Service Employees in Right of Political Activity	Civil Service	Filed.
HB No. 168	Dismissal and Reinstatement of Employees	Civil Service	Filed; covered in recommended measure; see Chap. III.
HB No. 172	New Civil Service Commissioners; Appeal Board	Civil Service	Filed; covered in recommended measure; see Chap. III.
HB No. 202	Enlargement of Territorial Civil Service	Civil Service	Filed.
HB No. 399	Seniority in Civil Service Promotions	Civil Service	Filed; see Chap. III.
HB No. 400	Maximum Probationary Period	Civil Service	Filed; covered in recommended measure; see Chap. III.
HB No. 401	Periodic Wage Surveys of Public Employees	Civil Service	Filed; covered in recommended measure; see Chap. III.
HB No. 447	Real Estate Brokers & Salesmen	Substantive Matters	Recommended similar bill; see Chap. X.
HB No. 494	Civil Service Eligible Lists and Appointments	Civil Service	Filed; covered in recommended measure; see Chap. III.
HB No. 683	Retirement Age of Public Employees	Civil Service	Filed.
HB No. 739	Director of Personnel - Honolulu	Civil Service	Filed; covered in recommended measure; see Chap. III.
HB No. 804	Civil Service: Dismissal and Reinstatement	Civil Service	Filed; covered in recommended measure; see Chap. III.
HB No. 931	Civil Service: Salary Increment and Efficiency Ratings	Civil Service	Filed; covered in measure transmitted; see Chap. III.
HB No. 980	Civil Service: Retirement System	Civil Service	Filed.

Appendix (continued)

<u>Number</u>	<u>Short Title</u>	<u>Subcommittee Reference</u>	<u>Action on Measure By Holdover Committee</u>
HB No. 1032	Civil Service: Death Benefits	Civil Service	Filed; covered in recommended measure; see Chap. III.
HB No. 1056	Police Disability Retirement	Civil Service	Filed.
HB No. 1063	Shore Waters Investigation Board	Harbors & Airports	Filed; see SB No. 405 above.
HB No. 1085	Creation of Fish & Game Commission	Gov'tal Efficiency	Filed.
HB No. 1098	Abolition of Special Funds	Gov'tal Efficiency	Recommended redrafted bill; see Chap. V.
HB No. 1144	Civil Service Death Benefits	Civil Service	Filed; covered in recommended measure; see Chap. III.
HB No. 1160	Civil Service: Rating Plans	Civil Service	Filed; covered in recommended proposals; see Chap. III.
HJR No. 4	Public Service Training Program at the University	Civil Service	Filed.
HJR No. 8	Civil Service: Reclassification Directed	Civil Service	Filed.
HCR No. 51	Study of Kalaupapa Settlement Directed	Health & Welfare	Study deferred; see Chap. VII.
HR No. 6	Study of Sale and Lease of Public Lands	Public Lands	Filed; covered in report and recommended measures; see Chap. VIII.
HR No. 7	Study of Terms of Public Land Leases	Public Lands	Filed; covered in report; see Chap. VIII.
HR No. 17	Classification of Public Lands	Public Lands	Filed; covered in report; see Chap. VIII.
HR No. 24	Civil Service: Requesting Information concerning Certain Classification	Civil Service	Filed.
HR No. 71	Civil Service: Requesting Information re Waiver of Requirements	Civil Service	Filed; covered in recommended measure; see Chap. III.

Appendix (continued)

<u>Number</u>	<u>Short Title</u>	<u>Subcommittee Reference</u>	<u>Action on Measure By Holdover Committee</u>
HR No. 122	Study of Certain Costs and Expenses of Public Utilities Requested	Harbors & Airports	Report transmitted to legislature.
Stand.Com.R. No. 806	Ala Wai Golf Course	Gov'tal Efficiency	Filed; see SB No. 345 above.
Stand.Com.R. No. 956	Employment of Non-residents in Territorial Government HR No. 24	Civil Service	See HR No. 24 above.
Dept'al Com'cation No. 90	Requesting Information re Training of Local Persons for Certain Positions	Civil Service	Filed; see HR No. 71 above.

C. Miscellaneous Communications

Misc.C. No. 151	Offer of Assistance to Hold-over Committee: Honolulu Council of Social Agencies	---	---
Sen.Misc.C. No. 165	Restrictive Racial Covenants	Public Lands	Filed.

II. Referred by Special Session of 1949

A. Senate Bills and Resolutions

SB No. 1	Long Range Labor Dispute Legislation	Harbors & Airports	Report transmitted to legislature.
SCR No. 1	Territorial Unemployment	Substantive Matters	Filed.
SCR No. 7	Civil Service: Acceptance of Applications	Civil Service	Filed.
SR No. 15	Survey of General Economy	Substantive Matters	Filed.
SR No. 20	Study of Boxing Commission Activity	Substantive Matters	Filed; made certain recommendations; see Chap. X.
SR No. 21	Study of Water Rights, Iao Valley, Maui	Public Lands	Filed.
S.Dept.C. No. 34	Attorney General: Boxing Commission	Substantive Matters	Filed.
S.Misc.C. No. 25	Re Allegation of Un-American Activities	Un-American Activities	Filed.

Appendix (continued)

B. House Bills and Resolutions

<u>Number</u>	<u>Short Title</u>	<u>Subcommittee Reference</u>	<u>Action on Measure By Holdover Committee</u>
HB No. 32	Workmen's Compensation	Substantive Matters	Recommended similar bill; see Chap. X.
HB No. 43	Produce Dealers	Substantive Matters	Recommended similar bill; see Chap. X.
HB No. 46	Government Offices, Saturday Closing	Gov'tal Efficiency	Recommended passage.
HB No. 50	Civil Service: Accumulated Vacation	Civil Service	Filed; recommended similar measure; see Chap. III.
HB No. 63	General Excise Tax	Substantive Matters	Filed.
HB No. 70	Bonds for Public Officers	Gov'tal Efficiency	Report transmitted to legislature; see Chap. V.
HB No. 71	Risk Exposure Study	Gov'tal Efficiency	Report transmitted to legislature; Ebasco report pending; see Chap. V.
HB No. 82	Creation of Industrial Loan Guarantee Fund and Board	Substantive Matters	Recommended re-drafted bill; see Chap. X.
HB No. 103	Unemployment Compensation	Substantive Matters	Filed; recommended further study; see Chap. X.
HB No. 112	Retirement System: Free Hospital and Medical Care	Civil Service	Filed.
HB No. 113	Export Subsidies	Substantive Matters	Filed.
HB No. 128	Tax Exemption, Disabled Persons	Gov'tal Efficiency	Recommended consideration by legislature; see Chap. V.
HB No. 132	Back Salary for Setsu Okubo	Civil Service	Filed.
HB No. 133	Leaves of Absence for Teachers	Gov'tal Efficiency	Recommended re-drafted bill; see Chap. V.
HJR No. 6	Hansen's Disease Hospital	Health & Welfare	Filed.

Appendix (continued)

<u>Number</u>	<u>Short Title</u>	<u>Subcommittee Reference</u>	<u>Action on Measure By Holdover Committee</u>
HJR No. 7	Public Meetings for Government Agencies	Gov'tal Efficiency	Filed.
HCR No. 8	Hawaiian History Study	Education	Made recommendation; see Chap. IV.
HR No. 14	Boxing Commission Investigation	Substantive Matters	Made recommendations; see Chap. X.
HR No. 18	Investigation of Board of Registration for Engineers, Architects, and Land Surveyors	Gov'tal Efficiency	Recommended re-drafted bill; see Chap. V.
HR No. 19	Civil Service Investigation	Civil Service	Filed.
HR No. 31	Profiteering Investigation	Substantive Matters	Filed.
HR No. 33	Information concerning Civics Teaching in Schools	Education	Made recommendations; see Chap. IV.
HR No. 42	Investigation of Medical and Hospital Services	Health & Welfare	Recommended joint resolution and 3 bills; see Chap. VII.
HR No. 44	Utilization of Public Lands Investigation	Public Lands	Filed; covered in report; see Chap. VIII.
HR No. 46	Unemployment Compensation Investigation	Substantive Matters	Filed.
HR No. 47	Fish regulations, Agriculture and Forestry	Harbors & Airports	Filed; made recommendation; see Chap. VI.
HR No. 48	Public Lands Investigation	Public Lands	Filed; covered in report; see Chap. VIII.

C. Subcommittee Proposal

Proposed Bill	Creation of Tax Commission for Territory	Gov'tal Efficiency	---
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Appendix (continued)

III. Referred by Special Session of 1950
A. Senate Bills and Resolutions

<u>Number</u>	<u>Short Title</u>	<u>Subcommittee Reference</u>	<u>Action on Measure By Holdover Committee</u>
SB No. 14	Creating Hawaii Visitors Council	Substantive Matters	Filed.
SB No. 16	Repealing Compensation-Dividends Tax and Creating Graduated Net Income Tax	Not referred	Filed.
SB No. 17	Emergency Relief Commission on Unemployment	Not referred	Filed.
SB No. 18	Financial Responsibility -- Operator's License	Substantive Matters*	Recommended 3 similar bills; see Chap. X.
SJR No. 3	Hawaiian Homes Commission	Public Lands	Filed; recommended similar bill; see Chap. VIII.

B. House Bill

HB No. 8	Use of Fish Nets	Not referred	Filed.
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IV. Miscellaneous Communications
Referred to Subcommittees

Dept'al Communication No. 90	Compensation of Department Heads and First Deputies	Civil Service	Filed.
	Communication: Y.W.C.A. re Real Property Tax Assessment	Gov'tal Efficiency	Filed.
	Communication: Mr. Walter G. Robinson, Chairman of the Jury Commission of Honolulu	Substantive Matters	Recommended bill; see Chap. X.
	Communication: Mr. Alvaro dos Santos, Caretaker of Aiea Cemetery	Substantive Matters	Recommended bill; see Chap. X.
	Communication: Mr. H. H. Warner -- Taxation of Kona Coffee	Substantive Matters	Filed.

*No formal reference, but considered with Holdover Resolution No. 43.

Appendix (continued)

<u>Number</u>	<u>Short Title</u>	<u>Subcommittee Reference</u>	<u>Action on Measure By Holdover Committee</u>
	Communication: Unemployed Workers' Organization -- Unemployment	Substantive Matters	Filed.
	Communication: Hawaii I.L.W.U. Auxiliaries -- Unemployment	Substantive Matters	Filed.
	Communication: Junior Chamber of Commerce -- Salary and Living Standards of Teachers	Education	Filed.