United States Senate

MEMORANDUM

Speaker of the House Henry Peters scored a hole-in-one on the 170-yd. 17th hole of the Makaha West course yesterday in a tournament sponsored by Regal Travel. Mayor Eileen Anderson witnessed the ace and said Peters "jumped six feet in the air."
STATE HOUSE OF R

SPEAKER OF THE HOUSE

PETERS, HENRY H.—Democrat
21st Representative Dist., Oahu
Full-time Legislator
State Capitol, Room 404, Honolulu 96813

Born: Feb. 5, 1941, Honolulu
Married, 1 child
Education: Nanaikapono Elem. & Interm.; Waipahu High; Brigham Young Univ.
Community Activities & Organizations: Ke Awawa O Na Pilikua; Hawaiian Civic Club; Aloha Assn.; Waia-
nae Jaycees

WHO'S WHO IN GOVERNMENT
State of Hawaii 1981-82
Published by Chamber of Commerce of Hawaii
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entry Peters Next Speaker?

By Helen Alton

Star-Bulletin Writer

ooking at a lineup of fresh faces destined to fill the state House Representatives, new and old members agreed yesterday: "It's

just how much "fun" remains to see how the ideological differences among the freshmen and the veteran legislators—share some of the new people coming into the House, although the nine-member bloc is expected to capture an

ear seat or two.

but some of the traditions of the establishment" majority structure that goes back to its origins.

"We can have a leader, or we can ve leadership," said one Democ-

tic House nominee. "I prefer a leadership-type model where we can ve some influence."

The general feeling, however, is at the organization can be accom-

plished smoothly without any blood-

_thing, and that an air of stability will prevail.

"The new people coming in seem to be capable, reasonable people," a
ten representative said.

HE NOTED, with a sigh of relief, that there isn't a maverick in the bunch, such as Neil Abercrombie, a

ano Democrat who battled the House establishment for four years before donning a tie as a state sena-

tor in 1978.

He described lawyer John Waihee, leader in the 1978 Constitutional conven and a potential power in the House, as "an articulate, cut-

_ting, not just by lawyers.

Waihee said, "There will be a difference...a different style" be-

cause of the new people. But he said he favors a "reason-able" approach to the reshuffling and running of the house.

Democrats Waihee, 34, and Gene Iwamoto, 61, with no Republican oppo-

sition in the general election, were elected outright in Saturday's pri-

ary in the 17th Dist. (Pearl

 Harbor-Kalili-Kai), knocking out incumbent Democratic Rep. Ken

eth Lee.

Other incumbent Democratic representatives who failed to clear the primary were:

- Olivier Luransco, 2nd Dist. (Wahiawa-North Shore), House Education Committee chairman who has served 10 years in the legisla-

_ture; Donald Masutani Jr., 9th Dist. (Pearl City-Pearl Ridge), elected in 1978, and Gil Silva, appointed last year by the governor to a vacancy in the 1st

Dist. (Ka'u-Puna-South Hilo).

ALL THREE were beaten by new-

imers with a total of eight fresh-

men snagging House seats without any general election opposition. All are Democrats and three are wom-

en.

At least three other new House members will emerge out of choices fac-

ing voters Nov. 4, including a Republican, former legislator Fred Rohlfing.

Waihee and his friends from the Constitutional Convention, including some returning House members, are expected to have a significant im-

pact on the decision-making process in the Democratic caucus.

However, Waihee said, "What I'm afraid of...is that in the scramble for leadership, people will be buying coali-

tions. That's not good either."

"I'm interested basically in re-

sults," he said, "I don't have a burn-

ing issue. If people can do the job, let them do it."

Waihee and Rep. Henry Peters, House majority leader from the 21st

Dist. (Waianae-Ewa Beach), are close friends with a relationship going back to their work with Model Cities.

PETERS LED the primary ticket in his district and is considered a likely candidate to succeed long-time Speaker James Wakatsuki, who was appointed a judge. Wakatsuki had groomed Peters for the speakership role with increasing responsibilities the past session.

But other respected long-time House members also have been mentioned for the job, including Vice Speaker Daniel Kihano, 20th Dist. (Ewa-Waipahu), Rep. Dennis Yama-

da, 21st Dist. (Kauai-Niihau), Judici-

ary Committee chairman; and Rep.

Ken Kiyabu, 10th Dist. (Kaimuki-

Kapahulu), head of the House planning and tourism committees.

The coveted finance committee chairmanship is among other posi-

tions at stake in the organizational shake-up. Kauai Rep. Tony Kun-

imura, veteran finance member, and Big Island Rep. Herbert Segawa, health committee chairman, report-

edly are interested in the post, as well as Yamada and Kiyabu.

Geography could be a determining factor. Traditionally, a Neighbor Is-

land representative has been placed in the finance job when the speaker is from Oahu.

Peters yesterday declined to dis-

cuss the House organization until af-

ter the general election, but he said, "I am confident that the majority of persons coming into the process—those from the Con-Con especially—understand what it takes to organize,

whether it is a Constitutional Con-

vention or the House of Representa-

tives. Being able to communicate is the magic—being able to sit down and talk about things." Peters recalled his first years in

the House when he was impatient for change, but said, "This is a time of learning, of building credibility," for freshmem legislators.

IN ADDITION to Waihee and Albano, House members with their election already in the bag include:

- Andy Levin, 34, 1st Dist. (Ka'u-


- Mazie Hirono, 33, (12th Dist.

McCully-Lower Makiki), a deputy attorney in the state Attorney General's office.

- Tom Okamura, 31, and Connie Chun, 52, 18th Dist. (Aiea-Moanalua). Okamura, a 1978 Con-Con delegate, has been vice chairman of the state Board of Education. Chun is a nurse, lawyer and former chairman of the Honolulu Police Commission.

- Eloise Tungpalan, 32, 19th Dist. (Pearl City-Pearl Ridge), chairman of the Leeward District School Advisory Board and the Neighborhood Board and former instructor of management.


New House members also will come out of three districts in the general elec-

tion:

- The 8th District (Diamond Head-

Ala Hanu), where Republican Fred Rohlfing is virtually assured of elec-

tion with incumbent Republican Rep. Barbara Marumoto. They face only token opposition on the Liber-

tarian ticket.

- South Hilo's 2nd District with two seats and one incumbent running, Rep. Herbert Segawa. Democ-

crit Richard Manliu led the pri-

mary ticket and appears to be in strong shape for the second seat against Republican opponents Piia-

ni Desha and Joseph Sherrard III.

- The 13th District (Manoa-Maki-

ki), with three seats and two Demo-

cratic incumbents. Reps. Carol Fuku-naga and Gerald de-Heer are expected to hold on to their seats with Democrat Brian Taniguchi making a heavy pitch against Republican Howard K.O. Chong, Jr., for the third vacancy.
Peters' Choice

State House Speaker Henry Peters chose Thomas Enomoto, chairman of the board of Dura Constructors, Inc., for appointment to the state Judicial Selection Commission because, he explained, Enomoto was the best person available for the job.

Peters adds that Enomoto did not seek the appointment and in fact had to be persuaded to accept it.

All that is very well. But it also happens that Peters is an employee of Dura Constructors. He was in effect appointing his boss.

The speaker would have been better advised to choose someone with whom he did not have such a delicate relationship.
Legislature Stalled by Budget Impasse

By Gregg K. Kakesako

The closed-door budget session continued yesterday without resolution, as the budget negotiators failed to reach agreement on the state's $2.4 billion operating budget. Negotiations, which have been ongoing for over a week, have reached a impasse.

The budget negotiators, comprising representatives from the House and Senate, have been unable to resolve differences over key issues such as education funding, health care, and transportation. Sources reported that the governor and legislative leaders were in negotiations to extend the session for a third day, but a resolution was not reached.

The session was scheduled to end today, but it appears that it will be extended for at least one more day. The budget negotiators will resume their discussions tomorrow, with the hope of reaching an agreement.

The budget impasse has raised concerns about the state's ability to provide essential services and meet its financial obligations. The legislature has already extended the session twice, and a further extension would be unprecedented.

For more updates, please see Page A-2, Col. 4.
The Senate and House budget conference committees have set aside in special funds for the money ambulance services programs. Pushing the state over the spending ceiling.

1981-82 fiscal year. But other emergency medical services users of emergency medical services wind up taking some of the heat for $1.23 billion spending ceiling for the proposed budgets. This proposal was rejected yesterday, and lawmakers are now finding room in the budget for the collective bargaining.

The Senate and House budget conference committees have set aside $1.67 million into a special fund to pay for the operations of the Department of Labor and Industrial Relations. That issue will be decided in the next session.

In the end, the legislators may only consider going over the funding ceiling. — Payment of $879,000 in claims for workmen's compensation will have to be paid. Insurance companies, he said, have taken opposing positions on increasing the spending ceiling.

And they have taken opposing positions on increasing the spending ceiling. What year they choose to do it. Benjamin J. Cayetano, D-4th Dist (Leeward), has ordered House conferees in the Senate to set up special funds to pay for emergency care.

The funds are set aside in the collective bargaining agreements. The two key methods being used to pay for the collective bargaining agreements. The two key methods being used to pay for the collective bargaining agreements.

And they have taken opposing positions on increasing the spending ceiling. What year they choose to do it. Benjamin J. Cayetano, D-4th Dist (Leeward), has ordered House conferees in the Senate to set up special funds to pay for emergency care.
The 1981 Legislature was given a one-day deadline reprieve last night as it spun out its regular session arguing, to the end over the final details of a pay raise for top state officials and other money items.

Gov. George Ariyoshi gave the lawmakers a 24-hour extension, which means the House and Senate can continue working unofficially over the weekend and try again Monday to produce a finished state operating and construction budget.

As of last night, the unofficial still-subject-to-revision budget agreement reportedly contained a host of tax-relief measures including a $100-per-person tax credit and a tentative decision to again seek joint use of a military airfield for Oahu’s general aviation pilots.

If lawmakers do nail down those tentative agreements and work out their other differences Monday, the session would then end Wednesday after the constitutionally required 48-hour waiting period before any final vote.

In somewhat an echo of events last year, marathon budget negotiations fell apart at the last minute over a final item out of literally thousands negotiated during the past week.

That final item, according to the Senate side, was the size and scope of a pay raise for top administration officials and related raises for state judges and non-union University administrators.

The House, at the insistence of Speaker Henry Peters, held firm to the position that until the pay issue was “resolved, there could be no “final agreement” on all the other items.

Peters said the pay bill had to be treated as a “package” along with other spending items in both the operating and construction budget.
Key leadership positions at stake in Legislature in spirited primary

By Sandra S. Oshiro
and Douglas Woo
Advisory Government Bureau

Saturday's primary will set off a fight for key leadership positions in both the state Senate and House that will set the political tone for the next two legislative sessions.

The departure of nine incumbents has kicked off a number of lively district races for the state House, where a scramble for the top spots is a virtual certainty next year.

Many of the old-guard veterans have left this year, chief among them Speaker James Wakahiki, who was appointed to a circuit judgeship.

There are few long-time veterans left to succeed Wakahiki. Those most frequently mentioned as his possible replacement include Majority Leader Henry Peters, Judiciary Chairman Dennis Yamada and Vice Speaker Daniel Kihanu.

Among the Senate races, all eyes will focus on the 8th District (Nuuanu to Aiea) race, where Senate President Richard Wong and incumbent T.C. Yam face tough competition.

The main threat comes from Rep. Milton Holt, a Bank of Hawaii employee with one term in the House under his belt, who launched a slashing attack on Wong's Senate leadership and self-styled "new politics" on entering the race.

Wong led a slim majority of 13 Democrats in the 25-member Senate to gain the presidency in 1979, ousted Big Island Sen. John Ushijima. Wong then declared the death of the old "consensus" style of politics that had been the mainstay in the Legislature for decades.

However, Wong's tenure as president and his independent (some say undisciplined) supporters left many in and out of the Senate disenchanted with the former labor organizer's majority. So the pressure is on from some union and business quarters to defeat him and his supporters at the polls.

With no Republicans in race, the top two vote-getters in the Democratic runoff in the 8th District will be declared winners. Others running against the incumbents are political newcomers Wendell Wong, Thomas Chesney and Edward Johnson.

Holt has won the coveted endorsement of the Hawaii Government Employees Association, the largest public union in the state. Added to his affiliation with the Bank of Hawaii, the union has made

In the House races:
Two seats are up for grabs in the 18th District (Aiea-Moanalua), where seven Democrats are vying for vacancies left by Wakatsuki and Rep. Mitsuo Uchi, who retired.

The proven vote-getters in the running are Tom Okamura, a school board member, and two delegates to the 1978 Constitutional Convention: Alisse Takehara and Emilio Alcon.

But former police commission chairperson Connie Chun is spending a lot in her bid for a seat: $14,908. That ranks her right behind Okamura, who leads in spending with $15,650, and ahead of Takehara, who has spent $14,147 but has raised more than any of her competitors ($22,550).

Far behind in the spending are former legislative aide Bette Tatum, Alcon and Willie Lai.

In the 17th District (Pearl Harbor-Kalili-Kali), a tough three-way race has developed for the two available seats.

One seat was opened when five-year incumbent Richard Garcia decided earlier this year not to seek reelection; the other seat may not be easily retained by Rep. Kenneth Lee.

The two challengers are attorney John Walhee, an influential delegate during the 1978 Con Con, and Gepe Albano, a member of the Hawaii House of Representatives who came within 27 votes of beating Lee in 1978.

Walhee has raised and spent the most money, drawing contributions from numerous attorneys, big business and labor. He is also one of the few state House candidates who has advertised on television.

Albano is the only candidate of Filipino ancestry in a district which has a large Filipino population. This, plus Lee's tenuous hold on his office in recent years — he was ousted in 1978 before being re-elected by a slim margin two years later — points to a close race.

The 16th District (Kalihi-Kam Hts.) Democratic primary should provide an interesting contest for the successor to Holt.

Rep. Tony Navas, the only Republican, is a strong incumbent

Continued
and appears likely to take one of the district's two seats in the Nov. 8 general election.

But five Democrats are fighting it out for their party's nominations.

Former representative Ted Yap is attempting a comeback. His lines include Dennis M. Nakamoto, who won in the 1975 primary but lost in the general, and Clarence A. Pacarro, undoubtedly helped by a $5,000 loan and the name recognition established by his father, City Council chairman Rudy Pacarro.

Others in the race are Ruben Cristobel and Almo Manuel.

Saturday's race may also see some incumbents in trouble.

Two delegates to the 1978 Constitutional Convention — Gerald T. Hagino and Akira Hiro — are fighting for the two seats now held by Reps. Ollie Lunasco and Yoshiro Nakamura in the all-Democratic 22nd District (Wahhawa-North Shore) primary.

On the Big Island, incumbent veteran Democrat Minoru Inaba has been calling his re-election bid this year one of his toughest. He faces Democrats Garry Garrison and David Basque in the primary.

If he wins, Libertarian James Keefe and a tough Republican — Virginia Isbell — await in the general.
After unanimously electing Rep. Henry Peters, speaker of the state House of Representatives, the 39-member Democratic caucus is now deadlocked over the appointment of key committee chairmanships.

The major problem, according to several Democratic lawmakers, is finding a chairman to lead the House Finance Committee for the next two years.

About a half dozen Democrats have expressed an interest in the job that was held for many years by former Big Island Rep. Jack Suwa, who resigned from the Legislature a year ago to take a post as a deputy Transportation Department director.

After a formal caucus that began Friday evening and ended at 3 a.m. Saturday, six persons have emerged as possible candidates for the post: Reps. Ken Kiyabu, D-10th Dist. (Kahului-Kapalua); Ted Morioka, D-9th Dist. (Mauna Lani Heights); Tony Kunimura, D-27th Dist. (Kauai-Nilna); Mits Shilton, D-20th Dist. (Ewa-Walpahau); Robert Doi, D-7th Dist. (Alio Hana-Hawaiian Palms); and Herbert Sekawa, D-2nd Dist. (South Hilo).

ASSIGNMENT TO the finance committee is a major one because all bills destined for floor debate and consideration must pass through the 16-member legislative body.

In addition, it is the key committee that will reshape the administration's multi-billion-dollar, two-year budget next session. The chairman of the finance committee also must defend the House's spending priorities during countless legislative confrontations with the Senate.

Meeting behind closed doors on Friday, the Democratic caucus unanimously elected Peters, D-21st Dist. (Wahiawa-Ewa Beach), as Rep. James Wakatsuki's successor as speaker. Wakatsuki is now a Circuit Court judge.

Peters, 39, has been majority leader for the past two years. Replacing Peters will be Rep. Dennis Yamada, D-27th Dist. (Kauai-Nilna), who now serves as chairman of the House Judiciary Committee.

Rep. Daniel Kihano, D-20th Dist. (Ewa-Walpahau), will continue as vice speaker.

Rep. Kathleen Stanley, D-14th Dist. (Kakaako-Punchbowl), will be the Democratic caucus spokesman during floor debates in the post of majority floor leader.

ALTHOUGH PETERS' election was swift and without any problems, House Democrats are still in private sessions wrangling over the finance committee chairmanship.

The chairmanships of the House's 20 other committees have been tabled until after the finance committee's leadership question is resolved, several Democrats said privately.

Also, still unresolved is Senate President Richard S.H. Wong's battle to retain his leadership post for another two years.
House Speaker Favors a Budget Expansion

Continued from Page One

Now providing public services," he said.

PETERS SAID he doesn't believe the Constitutional Convention intended "to put undue restraints on the Legislature and, as a consequence, to the people of Hawaii by the ceiling proviso."
The requirement to curb government spending did not take into consideration "variables" such as inflationary costs, federal funding cutbacks and a huge state revenue surplus, Peters pointed out.

Although the surplus is expected to be more than $225 million by the end of the fiscal year in June, it's virtually off limits to the Legislature to fund public services unless the spending ceiling is removed.

"We must look at the ceiling in terms of 'does it perform public good or will it be detrimental to public good?'" Peters said.

Under the present circumstances, he added, the spending ceiling will have a widespread adverse effect on public programs.

Peters delved into the Legislature's money problems in explaining why he held back a Senate bill to establish a $10 million trust fund for the Office of Hawaiian Affairs.

HE SAID he doesn't disagree with the concept of the bill, introduced by Sen. Benjamin Cayetano, D-4th Dist. (Leeward Oahu). But he said it would go around the ceiling through the special fund mechanism, and he would rather face the issue of the ceiling head-on.

He said OHA is getting everything it requested from the Legislature. "It is being treated more than fairly, in comparison with numerous other requests by state departments, as well as private agencies, many of whom now face drastic cutbacks," Peters said.

He said all of the requests must be balanced against the expenditure ceiling "and other economic concerns down the line — whether the state will be able to generate tax revenues and non-tax revenues if requires to carry out programs in the interest of the state."

Constitutional mandates also must be considered, he said, such as a requirement to give taxpayers back some of the surplus tax money.

The Senate has recommended a $50-per-person credit while the House has proposed $100, which Peters said would draw $60 million to $100 million out of the surplus revenues.

Peters noted that the House also has proposed other tax credits or incentives to stimulate economic development and combat unemployment.

"We're talking about a lot of people being unemployed," he said, pointing to the elimination of the federal temporary hiring program and possibly the state's program for the unemployed as well.

A HOUSE BILL to provide $3 million to extend the state's temporary employment program is hung up in a Senate committee.

Peters said the Legislature "must look at options to take care of the cutbacks," such as tax incentives for commercial fisheries, inter-Island stop travel for tourists and other businesses.

He said he shares concerns of state Tax Director George Freitas about the impact of proposed tax credits and exemptions on state revenues. The state must keep some extra money on hand in case Hawaii's economic conditions turn sour in the years ahead, he said.

But if the state can stimulate new industries with tax assistance, they may be able to generate more revenue and hire more people, Peters said.

"The question is, will whatever we have left be able to take care of the gap situation when the tax incentives come into play?" he said, noting the constantly rising demands upon the Legislature for money.

"People must understand that the state is not immune from the inflationary costs of services and products that the consumer is faced with," he added. "It's costing more just to meet basic needs."
Peters Favors Expansion of State Budget

By Helen Altonn

Many public programs will be seriously hurt or abolished unless Hawaii's lawmakers agree to exceed the state spending ceiling as they move into the homestretch of their 1981 session, says House Speaker Henry Peters.

With the Legislature headed toward adjournment April 24, Peters reiterated his position in favor of casting aside the spending ceiling in a Star-Bulletin interview.

Although the Senate appears anxious to close up shop early — perhaps to prove the success of its unprecedented power coalition of Democrats and Republicans — Peters said the Senate's version of the proposed state operating budget has "a tremendous amount of flaws."

He said the House, as well as the Senate, wants to wrap up its legislative business "in timely fashion." But he said, "It all depends on what's resolved in our conference committees. I think the public wants us to make responsible decisions."

The $2.4 billion two-year state operating budget — providing funds for state, county and community programs — is the major item in dispute between the House and Senate.

They have taken opposite stands on state spending policy, and they have wide differences over where the limited money should go.

Peters said when the session opened that he felt the spending limit should be exceeded to meet pressing needs. But this requires a two-thirds vote of both chambers and the Senate coalition said it would consider this only for one-time emergency demands.

Both the House and Senate drafts of the budget sent down from the governor are below the state spending ceiling, mandated under a 1978 amendment to the state constitution.

But Peters said many state agency and community programs will be abandoned without funding if the two houses do not agree to exceed the expenditure ceiling as they begin resolving their differences in joint meetings.

"I see nothing wrong with that if we justify it," said Peters, D-21st Dist. (Waianae-Ewa Beach).

He said he has been deluged with requests from government departments and private organizations for funding to keep their programs going. "These are not new programs, but programs on the books.

Turn to Page A-2, Col. 1
lature, and, accordingly, we cannot say that (the budget) was passed in the same form by both houses," wrote Deputy Attorney General Roger Moseley in an opinion for Ariyoshi.

That left, said Moseley, a "serious question" that the Constitution had been met and a good chance that the entire budget and all other spending bills could be found invalid in court.

"There is no question in my mind that there is a need for a special session at this time," said Ariyoshi.

"It's quite obvious we have to have a special session," said Peters.

The nuts-and-bolts of the situation is this: the new budget year begins July 1 so a proper budget must be passed and enacted into law by that time.

A full special session would take a minimum of five days in order to give each bill the required six readings and meet all constitutional requirements for public inspection.

There were no quick estimates of the cost of the special session, but Peters said it should be "minimal" because only a skeleton staff would be needed.

The largest expense would be the travel and per diem costs for Neighbor Island legislators.

Ariyoshi said yesterday it was up to Peters and Wong and other legislative leaders to decide when they will come back and to set their own guidelines for the session.

Critics have charged that a special session would offer another chance for lawmakers to pass a 19 percent, two-year pay raise bill for state officials which died in the Senate during the regular session.

Peters has said repeatedly that he would not rule out that topic — or any other — when the Legislature reconvenes. House Finance Chairman Tony Kunimura has said he would personally object to any reconsideration of the pay-raise issue.

And Ariyoshi said he personally does not see the session as a way to take up unresolved issues such as the pay bill, a decision on a second general aviation airport site for Oahu or other matters which were not conclusively resolved earlier this year.

"I'm not looking at it as a second chance," he said. "This is not an effort to open the door, so to speak."

One issue likely to come up is an anticipated cutback in federal "impact aid" to the state's public schools designed to offset costs of educating children of federal workers, largely military dependents. These cuts could amount to close to $14 million, which could mean the layoff of hundreds of public-school teachers.

All legislative leaders have said that the education funding would be a legitimate item to discuss if they came back into session. Should that happen, lawmakers will also be forced to confront the state spending ceiling, which takes formal effect this year.

The budget they thought they had passed stays under the ceiling, but just barely. Any major new spending for education would undoubtedly push them over the limit.
Legislature will have to reconvene

By Jerry Burris
Advertiser Politics Editor

The 1981 Hawaii Legislature has not finished its work.
This was the message yesterday in the wake of an attorney general's opinion which suggests the new two-year state budget, along with millions of dollars in related spending such as union pay raises, did not legally pass the Legislature.

The cure, said Gov. George Ariyoshi and House Speaker Henry Peters, is to come back in special session and do things properly.

The major unanswered question yesterday was what will be on the agenda when the Legislature reconvenes. Should it restrict itself to simply correcting the legal error or should it open the doors to other issues?

Ariyoshi said he would be happy if lawmakers do nothing more than correct the technical problems which raised the legal question. But at the same time, he said he cannot and will not dictate an agenda to the Legislature.

House Speaker Peters said there shouldn't necessarily be any restrictions on what the Legislature takes up.

Senate President Richard Wong had said earlier that the Legislature may be forced to open up the budget to cover shortfalls in areas such as the education budget caused by anticipated cutbacks in federal spending under President Reagan.

Once the budget is opened up, all sorts of items become fair game, including pending pay raises for state officials and judges and continued financial support for a state temporary jobs program.

The technical problem that has stirred up all this fuss is this: the House and Senate did not pass identical versions of the new $2.6 billion state budget.

The differences were not great; they amounted to a $3.4 million difference in totals for construction spending in three separate areas.

It wasn't a matter of disagreement between the state House and Senate, apparently, but rather a matter of House and Senate staffers using different figures as they totaled up all the construction spending.

Nonetheless, the net result was that the House and Senate voted on different versions of the same budget which was supposed to be identical on both sides for the final vote. And the Hawaii Constitution says that the bill, in its final form, must pass both houses before it legally has passed the Legislature.

"There is no way of discerning which version of the budget bill was intended to be enacted by the Legis-

See Legislative on Page A-4
MEMORANDUM

August 20, 1980

TO: SENATOR (via Sally)

FROM: JINNY

YOU ARE INVITED TO ATTEND HENRY PETERS' LUAU ON SATURDAY, SEPTEMBER 6, 1980, AT MAKHA INN LUAU GROUNDS, 5-8PM.

2,000 are expected to attend this political gathering.

RSVP: Carol Kunishima at 548-2261

Written invitation to follow.
Rep. Peters says he’d be willing to face the music

By Sandra S. Oshiro
Advertiser Government Bureau

State House Speaker Henry Peters said he would be willing to waive legislative immunity and "face the consequences" of a car accident on the H-1 freeway last week.

But police said Peters probably can’t do that, since the immunity is contained in a provision of the Hawaii Constitution.

Peters told reporters that contrary to police reports, he was carrying a no-fault insurance card in his company’s automobile when it collided with a trailer-truck near Leeward Community College.

Peters said, however, that his driver’s license had expired, as reported by police, and that he had forgotten to renew it. For that, he said, he would offer no excuses.

The House speaker, the only person injured in the accident, was hospitalized for four days at Kaiser Foundation Hospital with a broken ankle and with chest and facial bruises.

Appearing at a press conference yesterday with a plastic cast on his right foot and carrying a cane, Peters broke a week-long silence on what he remembered of the 9 a.m. accident.

"I incurred a blowout that caused me to go into a tailspin," Peters said, and this caused his car to collide with the trailer-truck.

Peters said he was going about 45 to 50 miles per hour at the time of the accident.

According to him, the car caught fire, and at least one spectator thought the vehicle would blow up. Because of that, Peters said, it was understandable that no one tried to look for the no-fault card.

According to police, the engine compartment of the car caught fire but the fire was extinguished by a police officer.

Although police said the speaker had no no-fault insurance card and an expired driver’s license, no citation was issued because lawmakers have immunity from misdemeanor charges during the legislative session. Peters said he was willing to waive that protection.

"People should know that the Legislature did not enact any kind of statute calling for immunity," he said. "This comes by way of the constitution, which was ratified by the people of this state and is a spinoff of our U.S. Constitution."

Police said yesterday, however, Peters probably could not waive immunity himself.

The state constitution says members of the Legislature "shall, in all cases except felony or breach of the peace, be privileged from arrest during their attendance at the sessions of their respective houses, and in going to and returning from the same."

Peters was asked yesterday about initial reports put out by his staff that he was not in his office because of a “family emergency.”

"I don’t think my staff was notified of the accident at that particular time," Peters said.

Although he said he had hopes of being released the day of the accident and making himself available for questions, he said his injuries kept him in the hospital.

Peters was released Sunday and was spending a few hours each day at the Capitol until yesterday, his first full day back on the job.

Continued on next page
Peters meets the press, his foot and cast peaking out from under the desk.
House Speaker picks boss' brother!

Speaker picks boss' brother!

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Ariyoshi Not Hopeful of Wheeler Approval

By Gregg K. Kakesako
Star-Bulletin Writer

The decision of House-Senate conferees to pursue the joint use of Wheeler Air Force Base near Schofield Barracks to ease the congestion of large commercial aircraft and smaller planes at Honolulu Airport is reminiscent of arguments surrounding the push for shared use of Barbers Point Naval Air Station in 1978.

The decision is an affront to Gov. George Ariyoshi, who this year had asked the Legislature for funds to begin construction of a $20 million general aviation airport at Poamoho, north of Wahiawa.

The joint-use approach of the Navy air station was pursued unsuccessfully in 1978 after Leeward Oahu residents had rejected the use of Kunia agricultural lands for such a facility. The push for the joint use of Barbers Point Naval Air Station was headed by Sen. Benjamin Cayetano, who at the time was in the House and chairman of the House Transportation Committee.

But the military rejected Ariyoshi’s overtures for shared use of Barbers Point.

Now budget conferees want the governor to travel down the same road and ask Pentagon officials for civilian use of Wheeler Air Force Base—a proposal advanced by GOP-Democratic coalition members in the Senate who vowed to take a positive stand this session on the general aviation issue.

Ariyoshi said he will agree to the legislative requests, but he isn’t hopeful that the military’s answer will be any different than it was three years ago.

FRANK C. CARLUCCI, deputy secretary of defense, already has told U.S. Rep. Cecil Heftel that the Wheeler base is still off-limits.

Carlucci recently said: “Based on current and programmed operational needs and all relative aspects—such as training, security and environmental—I conclude that the joint use of this military air base would be incompatible.”

Wheeler is commanded by Air Force Col. Richard Jones. It is the home of helicopter units belonging to the Army’s 25th Infantry Division and the Hawaii Army National Guard’s 29th Infantry Brigade. Also based at Wheeler is the Hawaii Air National Guard’s 169th Aircraft Control and Warning Squadron.

The Defense Department still maintains that Waipio Peninsula—a site rejected by both the state administration and the Legislature—is the best location for a reliever airport.

In his state-of-the-state address this year, Ariyoshi told lawmakers that if they didn’t agree with his decision to build the general aviation field at Poamoho, then they should come up with a specific site.

As in the Kunia case, the Poamoho site sparked dissent from many Leeward Oahu voters, who turned out at the State Capitol last month in a massive show of protest.

Because of the dissent, the House, which had backed the Poamoho site last year, balked and decided to take no position. Instead, it appropriated $5 million for an unspecified site.

THE POAMOH ISSUE also prompted Rep. Robert Dods to resign as chairman of the House Transportation Committee. Dods, D-7th Dist. (Hawaii Kai-Aina Haina), said his resignation was to protest Speaker Henry Peters’ refusal to renew the House’s support of Poamoho.

Peters represents a good portion of Leeward Oahu.
Wong Predicts
Two Pay Bills
Will Not Pass

by Gregg K. Kakesako
Star-Bulletin Writer

Senate President Richard S.H. Wong believes there are enough votes in the 18-member Democratic-Republican alliance to kill the controversial pay bills that would increase the salaries of Gov. George Ariyoshi, Island judges and 1,000 other state employees including members of his cabinet.

After two extensions the 1981 Legislature, which was to have completed its work Friday, is now scheduled to adjourn at midnight. Floor sessions will begin at the State Capitol for both the House and Senate at 9:30 tonight.

Besides the two pay measures, votes also will be taken on the administration’s two-year operating budget which has come in just under the state’s $2.6 billion spending ceiling and two controversial appointments to the University of Hawaii’s Board of Regents.

Included in the separate budget bill is a $130.3 million appropriation to cover newly ratified contracts granting pay raises to 2,900 teachers, University of Hawaii and community college faculty members and state workers.

Also on the agenda are series of tax credits, including a one-time $100 per person proposal, required because of the $225 million surplus that has accumulated in the state coffers.

BUT THE BIGGEST items still are the controversial executive and judicial pay bills which have been the source of intensive lobbying by cabinet members and other community leaders who have telephoning and button-holing senators all through yesterday.

Agreeing with Wong’s assessment of the situation in the 25-member Senate was Ways and Means Chairman Mamoru Yamasaki, who worked on both the budget and pay bills. He also said there isn’t enough votes to pass the bill.

An informal survey yesterday disclosed that both Yamasaki and Wong’s assessments are correct and there is more than enough opposition within the ruling Democratic-GOP coalition to reject both bills.

If the Republican and Democratic senators surveyed do not change their positions before the vote is taken tonight, both the executive and judicial salaries pay bills will die by a substantial margin.

NEARLY ALL of the 18 members of the GOP-Democratic coalition said they will vote against the pay bills which will grant the administration and state judges a salary increase of 8 percent this year and 10 percent in July 1982.

Besides Wong and Yamasaki, other senators, such as Windward Oahu Republican Ralph Ajifu and Hawaii Kai Republican W. “Buddy” Soares, said they will vote against the two pay bills because “the percentage increases are just too high.”

Sen. Ada Kobayashi, Haleiwa Democrat, said: “I believe...”

Continued over →
Continued from Page One

that the executive and the judicial branches both deserve some sort of a raise, but not one as large as in the two bills before us, especially at a time there have been cuts in the state's educational and social services."

Under the provisions of the controversial executive pay bill Ariyoshi's salary would increase from $50,000, a figure set in 1976, to $59,400 in July 1982. Supreme Court Justice William Richardson's salary would go from $17,500 to $56,413 by next year. Circuit court judges, who now earn $42,500 this year, will be paid $50,490 if the pay bill is approved.

The big question now is whether the entire 51-member House will support Speaker Henry Peters, who delayed the closing of the session last week when he held up budget negotiations until an agreement was reached on the pay bills.

Peters had said that leaders of both the House and Senate budget conferees agreed that the executive salary bill was part of the entire budget package, a statement denied by Senate President Wong and other members of bipartisan alliance.

Reportedly, Peters also was told by Senate budget conference leaders D.G. Anderson, R-3rd Dist. (Windward Oahu), and Yamasaki, D-2nd Dist. (Maui), that the measure establishing salary increases of 8 percent this year and 10 percent in 1982 would die on the Senate floor.

The Senate had offered a package which included increases of 7 percent this year and 8 percent next July.

However, Peters opted for the larger increases even after being told that there would not be enough votes in the Senate to pass the two bills, Wong and other Senate leaders maintain.

Senate rejection of both pay measures is expected to further aggravate the strained relationship between the House and Senate.

Passage of the executive pay bill would mean that this will be the first salary adjustment the governor, state judges and 1,000 other employees not covered by collective bargaining will receive since 1976.

Unlike county executives whose salaries are linked to collective bargaining, state executive salaries must be determined by the Legislature which has always been reluctant to tackle this sensitive issue.

Because of the latest series of collective bargaining raises, Honolulu Mayor Eileen Anderson, who now earns annually $55,908, will get an automatic pay raise on July 1, increasing her salary to $60,372. By July 1982 Anderson's salary will increase to $66,408, according to a State Department of Personnel Services fact sheet.

In fact, all of Anderson's cabinet — beginning with Managing Director Andrew Chang all the way down to deputy department heads — will be earning more money than the governor by July 1982.

Because of the way the city's ordinance is drafted Chang's pay will automatically increase in two increments to $50,372 in 1982; department heads by then will be earning $4,888 and deputy directors will be drawing $52,140.

According to the fact sheet prepared by State Personnel Director Don Botelho at the request of House Finance Chairman Tony Kunimura, 333 government white-collar workers, who are unionized, will be earning more money than their cabinet level bosses by July 1. Next year, there will be 578 workers who earn more than their bosses if the pay bill fails to pass.

Botelho said that more than 200 state employees not covered by collective bargaining agreements will be denied salary increases because the law prevents them from earning more money than their bosses.

The 1981 Legislature was supposed to have completed its work Friday, but disagreements about the executive pay raise bill ripped apart whatever tentative accords budget conferees had reached at that time.

The budget and pay agreements were reached in a series of closed-door sessions which were criticized by Common Cause/Hawaii as violating a 1978 constitutional amendment requiring all legislative hearings and conference meetings to be open to the public.

The closed-door budget negotiations are handled by six lawmakers, led by Anderson; for the House, the negotiation team was headed by Finance Chairman Kunimura.
‘Pressing needs’?

State House Speaker Henry Peters wants to exceed the spending limit written into our constitution in order to “meet pressing needs.” It turns out that the “pressing needs” are the pressures from government departments and private self-interest organizations to maintain or inflate their existing pet programs.

The same is happening at the national level. Congress is being pressured by narrow interest groups to “cut somebody else, not us.”

The core of the problem is that legislators assume that because a program is in existence it should be allowed to keep going. In fact, there is an enormous amount of fat in all government budgets — mostly programs that were created to solve a singular problem that existed decades ago but have since been manipulated by the bureaucrats and beneficiaries to include other things that can be made to appear “pressing.” Most of the professional and vocational licensing boards and commissions have been shown time and again to be unnecessary and ineffective but they continue to survive.

Why do we have 25 or more people in the Public Utilities Division of the Department of Regulatory Agencies and at the same time have an independent Public Utilities Commission — especially when the two of them seem frequently to be at odds?

The narrative could go on for a hundred pages because our state government is rife with an excessive number of bureaus and divisions and sections that serve no “pressing” need — in many instances no need whatever, except to keep warm bodies on the payroll.

Someone really ought to take a hard look at the state’s telephone directory and question the need for the thousands of little fiefdoms within most departments of government. The Department of Education has two dozen people in data processing, the Department of Budget and Finance has over 200 doing the same type of work, the Judiciary has a data processing unit, there are a handful of the same types in Accounting & General Services, in Transportation, in Labor & Industrial Relations. We are overflowing with systems analysts, programmers, and computer technicians — yet the wheels of government seem to grind more slowly than ever.

It’s about time legislators started finding out what kind of bang we’re getting for our buck rather than serving as sounding boards for narrow self interests; and taking to the podium about “pressing needs.”

What about “pressing waste”?
House, Senate
Near Accord on
Special Session

By Gregg K. Kakesako
Star-Bulletin Writer

House and Senate leaders apparently have decided to limit the agenda to a reconciliation of the "clerical errors" in the state's proposed $2.5 billion budget during the special legislative session scheduled to begin later on this week.

More discussions were scheduled today between House Speaker Henry Peters and Senate President Richard S.H. Wong to map out the session's timetable. At least five days will be needed so that the budget and the nearly two dozen related appropriation measures can be reintroduced, new public hearings held and final votes taken in both houses.

The budget bills have to be approved by Gov. George Ariyoshi by July 1, the start of the new fiscal year.

The 25-member Senate met in special caucus yesterday and rejected the suggestion by Peters, D-21st Dist. (Ewa Beach-Waianae), to restore the sharp cutbacks in federal impact school aid contemplated by Congress.

The House also wanted the Senate to consider restoring the state's program to give temporary employment to about 500 persons, lifting the interest ceiling on state bonds and appropriating more money for the Tax Review Commission. But all those items were rejected by the Senate.

Superintendent of Education Charles Clark was summoned to the State Capitol Senate majority caucus room to explain why he believes the

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House, Senate Leaders Near Accord on Agenda

Continued from Page One

Legislature at this week's special session should appropriate more than $13.8 million.

AFTER THE closed-door session, Clark said he will have to fire 510 tenured teachers unless he receives the $13.8 million by July 31.

"I cannot wait until a week before the school year starts. I need at least 30 days to re-program," Clark said.

At a news conference this morning, school board chairman Noboru Yonamine said the Department of Education cannot wait until Congress acts and called on the Senate Republican-Democratic coalition to reverse its position.

"If impact aid does not come through, we cannot start reassigning teachers and rescheduling more than 160,000 students when classes begin in September," Yonamine said.

He estimated that it will cost the state an additional $600,000 to begin to recall principals, vice principals, registrars, counselors and department and grade levels personnel in July to do "the necessary reprogramming" if the impact aid funds are cut off.

Yonamine also said that the board rejects the enactment of a tuition tax which Congress is contemplating. That tax is aimed mainly at military families who do not pay state taxes although they have children that attend public schools.

Board member John Penebacker pointed out that potential increase in class size because of the loss of 510 teachers probably will result in the violation of the state's union contract on student-teacher ratio.

Yonamine said the board believes this problem warrants the Legislature overriding the state's new spending ceiling to make up the short fall in anticipated impact aid, an action currently opposed by the Senate coalition.

Senate President Wong, D-5th Dist. (Urban Oahu), said: "It is premature and presumptuous for us to consider restoring any impact aid funds before Congress has even taken any final action on the proposed cuts...If we were to restore the cuts it would undermine our (congressional delegation's) lobbying efforts."

A spokesman for U.S. Congressman Daniel Akaka yesterday said the U.S. House Education and Labor Committee last week wiped out all authorization for federal impact aid program.

This means that the entire $650 million impact aid program will either have to be restored by a series of floor amendments when the budget is debated by the entire U.S. House later on this summer or by the Senate.

THE IMPACT AID program was started in 1950 to compensate school districts for educating children whose parents live or work on untaxed federal property, such as military bases. Some states already have passed laws charging tuition for teaching students from military families.

According to the Congressional Quarterly, every president since Dwight Eisenhower has tried to cut impact aid, amounting to more than $650 million and covering 3,900 districts. Opponents complain that the program indiscriminately gives money to rich districts as well as the needy ones.

The program is broken into two parts—Category A, where approximately $400 million is spent in educating children whose parents live and work on federal property such as military bases. The payments are supposed to equal the local share of the cost of educating the students.

Reagan, like former President Carter, has proposed to eliminate the Category B payments in fiscal 1982 and limit Category A payments to districts where 20 percent of all pupils live on federal posts.

IF CONGRESS accepts the new federal funding formula, Hawaii would be one of seven states that would receive no impact aid.
House Speaker Henry Peters, at the invitation of Gov. George Ariyoshi, is in Taipei this week participating in a foreign trade and investment forum.

Also attending the week-long Taiwan conference, which began Monday, is the governor's wife, Jean, who is representing Ariyoshi.

Bob Wernet, Ariyoshi's press secretary, said that the forum on foreign trade and investment is sponsored by the United States government, the Taiwan Economic Council and the Taiwan Board of Foreign Trade.

The Legislature's other leader—Senate President Richard S.H. Wong—was expected to return from Anchorage this weekend after spending more than a week there promoting closer visit by ties between Alaska and Hawaii.
Ben Wood's Hawaii—

editor of the Star-Bull, made golfing notoriety May 14 in the Samurai Golf Classic at Mililani by bopping Gov. George Ariyoshi above the left eyebrow with a practice swing. In the John A. Burns tourney Wednesday, Gee was on the same team with the governor at the Pearl Country Club.... "I knew Bill felt bad about it so I put him on the same team with the governor," said Hawaiian Finance president Francis Yamada, who helped Don Horio and Dan Aoki with the tournament.... Playing in the scramble format with Ariyoshi—who obviously has a lot of guts—and Gee were HGEA chief Russell Okata, House Speaker Henry Peters, Demo- c party chairman James Kumagai and Lionel Tokioka of Internation- al S&L.... Gee said the governor's security men kept a close eye on him.... Retired public relations-advertising man Bob Alderman has returned from California where he was given a testimonial dinner May 29 by the Press Club of San Francisco. More than 200 people paid $15 to attend the dinner and salute Bob, a life member of the club. Alderman moved to Hawaii in 1962 to work on the Burns gubernatorial campaign. He was forced to retire from the P.R. wars three years ago when he lost most of his eyesight....
PETERS, HENRY H.—Democrat
21st Representative Dist., Oahu
Full-time Legislator
State Capitol, Room 404, Honolulu 96813

Born: Feb. 5, 1941, Honolulu
Married; 1 child
Education: Nanaikapono Elem. & Interm.; Waipahu High; Brigham Young Univ.
Community Activities & Organizations: Ke Awawa O Na Pilikua; Hawaiian Civic Club; Aloha Assn.; Waia­nae Jaycees
United States Senate

COMMITTEE ON COMMERCE, SCIENCE,
AND TRANSPORTATION

WASHINGTON, D.C. 20510
Legislators still negotiating slots

By Jerry Burris

Organization of the state House and Senate remained incomplete yesterday, 10 full days after the new crop of 78 lawmakers had won office.

In the House, leaders continued to talk among themselves and with individual legislators about committee assignments. The key issue is chairmanship of the House Finance Committee which influences virtually all legislation.

House Speaker Henry Peters said he hoped to get committee appointments wrapped up "as soon as possible" but he said he has not set any specific deadline for himself. Peters added that the House may finish its organization as early as Monday afternoon.

In the Senate, no formal caucus has yet been called by the 17-member Democratic majority which will probably decide whether last year's political turmoil will get swept up in another term.

Despite the overwhelming numbers in favor of the Democrats in the 25-seat Senate, however, the eight-member Republican minority wasn't about to let matters go by default.

"Andy" Anderson, Minority Floor Leader D.G. and Minority Leader Wadsworth Yee, met separately with several leading Democrats in an effort to get their two-cents worth into the organization.

Obviously enjoying the disarray among the Democrats, Yee said the Republicans are more than willing to talk business with any Democrat interested in forming a bipartisan coalition.

"We're interested in putting a package together," Yee said. "From what I can gather, they're still very far apart and we have our eight solid votes."

Yee and Anderson met separately over the past few days with Wong, Sen. Dennis O'Connor and Kauai Sen. George Toyofuku.

Wong, of course, has been Senate president. He put together a fragile coalition of 13 Democrats last time around to become the Senate leader and control the committee chairmanships.

O'Connor supported Wong then but had made no secret of his interest in becoming Senate president himself. Toyofuku was a member of a smaller "Neighbor Island" bloc of veteran Democrats who did not go along with the Wong coalition. He has indicated interest in the Ways and Means chairmanship now held by Sen. Ben Cayetano, a Wong backer last time around.

At this point, the Senate Democrats seem to have several loose groups with no one in a dominant position. Wong has a core of faithful supporters although he lost two of his most ardent backers in the recent elections.

Another group, which backed Wong last time around, centers around Cayetano. Several Democrats are floating and then there are the remaining Neighbor Islanders.
The Senate remains deadlocked today over who its leaders will be, on its fifth working day of inactivity since the Legislature's opening Wednesday.

Senate Republicans again pounded away yesterday at the majority Democrats and their inability to organize their fractured numbers.

"People don't just say 'Those damn Democrats,' " Republican D.G. "Andy" Anderson, minority floor leader, told the Senate yesterday, "They say, 'You damn politicians.'"

Sen. Richard Wong, leader of one of two Democratic factions and president of the Senate until replaced, said the problem "is not something simply arrived at or simply resolved."

"We're all big boys and girls. We have to understand the consequences of our actions and be willing to suffer the consequences," Wong said, noting that the "will of the people" will be made known in the 1982 elections.

Wong leads a group of 10 Democrats who are backing Mamoru Yamasaki, a veteran Maui legislator and ILWU official; for the prized Ways and Means Committee chair slot. Challenging Wong are seven Democrats led by George Toyofuku and John Ushijima, Wong's predecessor as president.

As of yesterday, neither group had the key 13 votes to declare a true majority in the 25-member Senate.

If the organizational delay continues, this year's Senate soon may match the record set in 1967, when the Democrats split their loyalties between Nelson Doi and Naoa Yoshinaga. It wasn't until eight days into the session that Democrat John Hulten was elected president as a compromise. In 1971, House Republicans helped to end a two-week lag in organization by throwing their support behind a Democratic faction loyal to Speaker.
The eight Senate Republicans have offered to perform similar services this year in return for a share of the power, but neither Wong's nor Toyofuku's group has taken them up on it. At least a handful of Wong's group, including Sens. Benjamin Cayetano, Dante Carpenter and Neil Abercrombie, said yesterday they are not opposed to forming a coalition with the Republicans.

The three were especially angry that there has been no "serious negotiation" between Wong and Toyofuku to end the deadlock. "It's our own Democrats trying to cut our throats," Cayetano said. The group is urging Wong to set a deadline for Toyofuku's faction to come to terms. After that, they want Wong to negotiate with the Republicans.

In the House, meanwhile, Speaker Henry Peters gave Republicans more time to examine the leadership's proposed rule changes. The leadership rejected amendments offered by the GOP bloc last week, characterizing them as "negative."

Minority Floor Leader Fred Rohlfing said yesterday that the GOP proposals were not negative but rather meant to provide a "greater democratic process."

"And if that is offensive to the new leadership, then so be it," Rohlfing said.

Among changes, the House Democratic leadership wants to set down new rules on how conference committees are selected to resolve differences in House and Senate versions of bills.
Still working behind closed-doors today, House and Senate budget conferees were trying desperately to find a way to resolve their differences over the proposed $2.4 billion operating budget and the controversial executive pay raise bill.

The Senate maintains that the governor and his cabinet are entitled to salary increases amounting to only 7 percent although earlier in the negotiations Senate Human Resources Chairman Clifford Uwaine, 6th Dist. (Manoa-Waikiki), hadaid the ruling Democratic-GOP coalition was willing to accept an offer of 15 percent.

The House, led by Maui Rep. Tony Takitani, has endorsed the findings of the governor's salary committee that recommended across-the-board increases of 20 percent. Under that proposal, Gov. George Ariyoshi's salary of $50,000 a year would jump to $60,000.

Ariyoshi maintains that it is entirely up to the Legislature to decide whether his administration, as well as the judiciary, get a pay raise this year.

"I sent the package (executive pay bill) down to the Legislature," the governor said after the session adjourned Friday. "After that it's up to the Legislature to make its own decision."

Ariyoshi said that he has stayed out of the House and Senate pay negotiations and has not taken any sides in the bitter dispute which may result in a special legislative session if the impasse isn't broken tonight.

UNDER THE legislative extension granted to the 1981 Legislature by Ariyoshi Friday night, budget conferees must move the compromise budget and pay bill to the floors of both houses by midnight. If that is accomplished, then the Legislature will probably be given another extension until Wednesday to approve both measures.

However, Senate President Richard S.H. Wong, upset about the outcome of the prolonged secret budget negotiations, established his own deadline for the conferees to complete their work.

Bitter about the House's decision to back the state administration bill calling for a 20 percent salary increase for Ariyoshi, his cabinet and other state officials not covered by collective bargaining, Wong gave conferees until 5 tonight to finish

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House-Senate Stalemate Continues at Legislature

Continued from Page One

their work.

"I did not ask the governor for the extension," Wong said in a Friday floor speech. "If the budget is not decked by 5 p.m. Monday, then we will adjourn without one."

In response, House Speaker Henry Peters said: "He (Wong) doesn't give me any ultimatums or deadlines."

ALSO IN jeopardy are the three remaining Ariyoshi appointments to the 11-member University of Hawaii Board of Regents.

Senate Higher Education Chairman Patricia Saiki, R-7th Dist. (Kaimuki-Hawaii Kai), said if Ariyoshi refuses to withdraw the nominations of Gerard Jervis, Tim Scott Farr and Alice Guild before the 1981 session adjourns, the Senate will reject the three.

Ariyoshi indicated that he may withdraw the three nominees if he believes he can't muster the votes.

Besides funding operating expenses for the state for the next two years beginning July 1, the money bill contains $130.3 million in newly ratified contracts for more than 29,000 teachers, university professors and other state workers.

The 1981 Legislature was supposed to have completed its work on Friday, but disagreements about the executive pay raise bill tore apart whatever tentative accord budget conferees had reached.

According to Wong, D-5th Dist. (Urban Oahu), House Speaker Peters held up final work on the operating and public works budgets until an agreement was reached on the governor's pay raise bill.

But Peters, D-21st Dist. (Waianae-Ewa Beach), disputes Wong's claims.

PETERS SAID leaders of both the House and Senate budget conferees agreed that the executive salary bill was part of the entire budget package.

In addition, Peters disputes claims by the Senate leaders, such as Republicans D.G. "Andy" Anderson and Wadsworth Yee, that the House budget managers have adopted the Senate's position on two controversial public works projects—relocation of the University of Hawaii law school to a parking lot on Dole Street and petitioning the military for civilian use of Wheeler Air Force Base.

"Our budget negotiations aren't over," Peters said. "The House requested the extension and I feel comfortable that we can make the (Monday) deadline."

Besides the executive pay raise bill, Peters said conferees still haven't reached a decision on salary increases for Island judges, consumer tax credits and legislation involving airport concessionaires such as Duty Free Shoppers.
THE NEW POLITICIANS

Hawaii's leaders of tomorrow are in the state House of Representatives today. Who are they?

By Dan Boylan

Despite their youth, they came to the House as insiders, knowledgeable in political maneuvering...

Hawaii's 51-member state House of Representatives provides most of the Islands' aspiring politicians with their entree to public office. The state's current governor, lieutenant governor, two U.S. senators, and 19 of 25 state senators began their political careers in the state House. Hawaii's judiciary, and increasingly its state departments, abound with former House members.

Consequently, the student of Hawaii politics seeking a preview of the Islands' political, social and economic future is well advised to look at the House. Especially in recent years. Since 1974 there has been a 135 percent turnover in House membership. In 1974, 22 new members were elected; in 1976, 16; in 1978, 31; and in 1980, 16.

The recent high rate reverses a trend. Throughout the late '50s and the '60s, the state House was known as an incumbent's legislature. Year after year, a majority of its members were returned to office from relatively safe districts in which they enjoyed wide support. Many of these legislators rose to prominence with the resurgence of the Democratic Party in the early '50s. They were often of Japanese ancestry, close to the unions (particularly if representing an outer island constituency), or loyal to the person or political faction of Congressional Delegate and Governor John A. Burns.

That generation has gone. Its representatives have retired, been defeated, gone on to other offices, or grown so prosperous that public service no longer fits into their lives. They've been replaced by a body of members who are harder to categorize. They are young, but not too young; their median age is 41.5. They are predominantly male, but nowhere near as predominantly as in the past; 10 are female, the largest number in the body's history. Most are new to public office, but many, even among the youngest, have been actively involved in community or political affairs for years. They are predominantly local in their origins, but they represent as good an ethnic balance as any Legislature in recent memory.

Most difficult to determine is what they portend. The legislators of the 1950s and '60s shared a vision of social equality, economic growth, improved education, and generally progressive political objectives. But what does this new generation of...
A 34-year-old, three-fourths Hawaiian lawyer named John Waihee may provide the answers. With part-Hawaiian House Speaker Henry Haalilio Peters and House Minority Leader Kina'u Kamali'i, Waihee represents the Hawaiian renaissance in the House of Representatives. Three years ago he emerged from the anonymity of private law practice to win election as a delegate to the Constitutional Convention. During the hot summer months of 1978, Waihee dominated the majority coalition which rewrote the state's basic document.

Waihee gained more than his share of press during the convention, and political observers waited for him to make his move for another elective office. At first he demurred, claiming lack of interest. But last spring he announced for the House from the 17th district, and in January he took a seat with nine of his former Con-Con colleagues.

His origins are in the ranch country above Ahua Loa on the Big Island. His father worked for the telephone company, but, according to Waihee, "ranching was his hobby and his life." He worked a 350-acre spread leased from a Chinese doctor. The younger John Waihee could ride a horse before he mastered a bicycle. His mother, Mary Purdy Waihee, taught school in Honokaa. Her family too had been ranchers, but they lost their land when an ancestor became too active in support of Liliuokalani. "When you live around Hawaiians, you constantly hear that we lost the land 'because we didn't have a lawyer,'" says Waihee. "'We need to produce a lawyer to get the land back.' I kinda got interested at an early age."

Honokaa provided few activities for its youngsters, but scouting was one of them. Waihee was an Eagle Scout. "I remember the dinner in Hilo for the new Eagle Scouts. I sat at a table with Merrill Carlsmith. We talked about what it was like to be a lawyer."

Waihee demonstrated little academic promise in his early years. "School was always boring for me," he says. "You know, craps, cards, the whole thing. I think I was a punk." After bouncing from school to school, he finally graduated from the Hawaiian Mission Academy. His grade point average was 1.36. "I was hardly college material," Waihee says. "But I did well on intelligence tests. His test scores got him into the University of Hawaii and Andrews University, the latter a conservative, Seventh Day Adventist institution in Berrien Springs, Michigan. A restrictive scholarship soured Waihee on Manoa, so in the fall of 1965 he left for the Midwest.

Michigan winters and poverty kept Waihee at his books for the first time in his life. Summers he worked construction jobs and for the American Steel Foundry in Hammond, Indiana. During the school year he clerked for Sears, Roebuck and Co. in Benton Harbor, Michigan, the only true urban area in Berrien County.

In his junior year, he broke out of his monkish life. He ran a write-in campaign for student body president and won. "No one thought I would win, but we had a marvelous coalition of blacks, Joe College types and Hawaiians. It was us against the more established students."

Waihee had finished most of his requirements for graduation during
In his senior year he carried a minimum of courses, worked at Sears, and gave the Andrews University administration more trouble than it could handle. "We sponsored anti-Vietnam war rallies and a black power seminar, among other things. We got a little rowdy. The university president called me 'a little Hitler.' After the black power conference he called me in and said, 'You're a really bad influence on this university.' He told me to tone things down or face expulsion. I left the university." (He was later allowed to finish the one course he needed for graduation.)

In March 1968, at the age of 20, John Waihee took a job as a community education coordinator with the Twin Cities Area Human Resources Council. The Twin Cities were Benton Harbor and St. Joseph, Michigan. No twins could be more different. St. Joseph is a wealthy, upper-middle-class city of 17,000 overlooking Lake Michigan. Benton Harbor is an industrial servant, whose 20,000 inhabitants labor for the area's principal employer, the Whirlpool Corp. Most were black, and in 1968 Benton Harbor experienced one of the nation's worst racial riots.

The Twin Cities Area Human Resources Council was the Berrien County arm of Lyndon Johnson's War on Poverty. With funding from federal, state and private sources, it organized educational, recreational and community action programs. "It was a heady time for me," recalls Waihee. "I believed in what we were doing, and I got very involved in community action work. I was assigned political organization. Benton Harbor was 70 percent black, but the mayor was white and there was only one black member on the City Council. Among blacks, nobody registered and voted. We turned that around. When I left, Benton Harbor had a black mayor and a black council. But I lost my airy-fairy notions about politics. The program was disfunded."

Whirlpool offered Waihee a job as their chief equal opportunity employment officer, but he declined. He and his wife were ready to come home. Waihee found a job with Hawaii's Model Cities Program. There he first met Henry Peters; the future speaker was employed by Waianae Model Cities. Waihee also got involved in politics.

Franklin Hayashida, a young Tom Gill supporter also employed by Model Cities, enlisted him in Coalition '72, an attempt by Fasi, Gill and McGovern supporters to gain control of the state Democratic Party at its spring convention. They failed, but in 1973, Hayashida burst into Waihee's office one day and said, "Come on, John, let's go take the law school admission test. They're crying for Hawaiians up at Manoa. You're sure to get in." In the fall of 1973, Waihee joined the first entering class of the University of Hawaii School of Law.

That first class became very tight. They studied together, they drank and socialized together, and they served on committees charged with designing the new school's admissions program, curriculum, and faculty recruitment program. And they knew the heady experience of mak-

David Hagino (above right): "I'm not a proponent of localism. Provincialism only creates or reinforces an inferiority complex."

Eloise Tungpalan (below right): "As a child in elementary school, I noticed the lack of books about our culture... nothing about Hawaiian canoes or Hawaii labor strikes."

Russell Blair (center): "Every legislator in this House is more conservative than he or she was four or five years ago."

Brian T. Niguchi (below): "It's just a feeling that 10 or 15 years ago Hawaii was different, that it had stronger communities, and that they're being overrun."

"... The sheer rigor of modern Hawaiian political campaigning goes a long way toward explaining the youth of the winners..."
"...Many observers agree that if any group of legislators is capable of dealing with Hawaii's problems, it's this one..."

The foundation of the new Hawaiian legal community was laid, says Waihee. "Those of us on the admissions committee wanted to see better ethnic balancing in the make-up of the student body. We pushed for the affirmative action program. There were no protests; it was done through negotiations with the faculty and administration. We were an older group and had all done something prior to coming to law school. We had connections with the community to bring pressure; the faculty didn't know the town side at all. We'd get a resolution through the Legislature if need be. As a result, we grew very protective of each other and developed a closeness to the faculty. We developed a tremendous affection for each other."

The closeness endured. In 1976, Waihee and some of his classmates threw their support behind David Hagino in his bid for chairmanship of the Democratic Party. They also made a run at the presidency of the young lawyers' section of the Hawaii Bar Association. "We got clobbered both times," says Waihee.

With his J.D. in hand, Waihee went to work full time for the law firm of Shim, Sigal, Tam and Naito in 1976. He considers himself basically a trial lawyer, and his field labor law. Most of his work was with the HGEA, the carpenters and construction unions.

In 1978, Hayashida began urging him to run for the Constitutional Convention. Along with Hayashida and several other law school friends, Waihee ran and won. Two days after the election results were in, Waihee was organizing a group backing his candidacy for the convention's presidency. He didn't get it, but the muscle he demonstrated insured committee chairmanships for many of his supporters. It also made him the pivotal factor on the convention floor.

"On any given day there had to be 18 in the Waihee faction," he says, "or we'd get wiped out." Waihee always had them. "John was very accessible," says Barbara Marumoto, Republican representative from the 8th district and a Con-Con delegate herself. "He was always in the halls talking to people." Carol Fukunaga, a Con-Con delegate and friend of Waihee's from law school, and since 1978 a representative from the 13th district, agrees: "John was very vis-

Carol Fukunaga (above center): "I think men of my generation feel comfortable working with women. And consequently we feel accepted."

Tom Okamura (left): "Whenever you think you've accomplished something and start to rest, David Hagino reminds you what else has to be done."

Barbara Marumoto (above): "John Waihee was very successful at Con-Con. He was always in the halls talking to people."
Looking ahead

The best way to start a political campaign is to get down to the hustings and start pressing flesh before anybody notices you are running for something.

That's not an original thought; it belongs to local political analyst and adviser Dan Tuttle. He maintains that good political campaigns are made better by starting off with a candidate who already is seen positively. It makes a lot of sense and it's being followed right now.

It may seem presumptuous to be talking about elections in this off-election year, but not so to George Ariyoshi, D.G. “Andy” Anderson or Kina'u Boyd Kamali'i. They are already out in the hustings looking for warm hands to shake and electoral success in the November after next.

Perhaps the most reluctant but earliest of the trio is Gov. Ariyoshi. The last votes of the 1978 election were barely counted when the governor started to fend off questions about running for a third term.

Although publicly coy about the idea, and privately dismayed at the prospect of surrendering himself to another four years in the spotlight, Ariyoshi and his staff are making sure that if there is a campaign next year, it will be a landslide success.

To ensure that, Ariyoshi's political operatives, in particular state Agriculture Director John Farias, have been scrambling around the Neighbor Islands locking up votes and constituencies to plug any chinks in the solid wall of Democrat union support. And back in Honolulu, Ariyoshi huddled with his department heads early this year to clear the decks for a 1982 gubernatorial campaign.

Thus, two parts of any Ariyoshi campaign—Neighbor Island union support and a united, efficient bureaucracy—are already in line. The third, a big war chest, is readily available to any incumbent.

Watching Ariyoshi's moves carefully a few floors below in the state Capitol is Republican state Sen. Andy Anderson. Anderson is starting to crank up his own somewhat creaky GOP campaign machine for a run at the governorship next year.

Outwardly, all signs point to Anderson's making 1982 the year he challenges the state Democratic Party. He was the guiding force behind the coalition in the Senate this year. He steered his Republican colleagues into committee chairmanships, the first they have had in several decades. At the beginning of the legislative session, Anderson walked over to the Democrat caucus room to lend support to a longtime dream of Senate President Richard Wong—a hotel room tax. Anderson has in the past fought such a move—but this year he likes the idea. He even has a name for the plan: "Hawaii Now."

That alone is a dead giveaway. The last time Anderson thought about running for governor was in 1973. Back then, he and his GOP peers came up with an economic recovery plan for the state. It was called the "Go Plan."

Anderson already has asked Republican Sen. Pat Saiki to be his running mate. Saiki reportedly is interested, but says she enjoys her work in the Senate and doesn't particularly care to make the jump upstairs.

Anderson's Go Plan of 1973 was modeled on the stern budget-cutting economics of then-governor of California, Ronald Reagan. Anderson and his troops obviously hope that the budget policies of President Reagan will provide a popular launching pad in 1982.

Another Republican reportedly looking at the same Reagan take-off spot is state House Minority Leader Kina'u Kamali'i. She hasn't publicly mentioned it, but this could be her last term in the House.

Kamali'i enjoys some special entry with the Reagan folks in Washington. She is close to Reagan aides there, having backed the new president through his unsuccessful campaign four years ago, and through the bitter GOP primary last year.

It is uncertain what seat Kamali'i has decided upon, but there is talk of a congressional campaign. Money is sure to come from the National Republican Committee for whatever Kamali'i chooses.

If Kamali'i is indeed looking for a higher office, she must find strong local support. She has been backing former state Sen. John Carroll for GOP party chairman, and if he wins the office at this year's GOP state convention, Kamali'i will have support in the local party.

So local Republicans, long in the shadows of the Democrats, are lining up to make the most of next year's political season. With a Republican in the White House, next year will be as good a year as they have ever had to get serious about the big moves.

The moves have already started.
Session over at last — amidst confusion

By Jerry Burris
Advertiser Politics Editor

It takes a while to learn how to play the game when the rules have been changed.

That seems to be the bottom-line explanation for the confusion and semi-chaos that surrounded the conclusion of the 1981 Hawaii Legislature early yesterday.

The 76 lawmakers went home for the year at 4 a.m. after rejecting pay raises for state officials and passing a new budget and other spending bills under a lingering constitutional cloud.

The predawn scurrying and tough treatment on the pay issue are related directly to some fundamental changes in the rules governing the Legislature — changes which are not completely understood.

The first set of changes is the new Hawaii Constitution, approved by the voters in 1978. Among other things, it places a lid on state spending and it subjects internal legislative procedures to "sunshine" requirements.

The second big change was the formation of an unusual coalition of 10 Democrats and eight Republicans in the Senate. This coalition was responsible for unexpected legislative behavior that wiped out usual avenues for backstairs lobbying and political compromise.

When the Legislature finally went home, it had approved a two-year operating budget that stayed underneath the constitutional spending ceiling; a construction budget that included some $157 million in local borrowing; $130 million in raises for public workers; and close to $200 million in various kinds of permanent and one-shot tax relief.

Those bills made it through without serious trouble. It wasn't so easy, however, for the measures calling for pay raises for Gov. George Ariyoshi and his Cabinet, other non-union officials, and all state judges. Those bills proposed an average 19 percent pay raise over the next two years.

It would have been the first raise since 1976, but the Senate said no.

Those pay bills passed in the House, but died in the Senate on an 8-17 vote.

The seven Democrats who were left out of the Democratic-Republican coalition supported the raises and were joined by Democratic Sen. Joe Kuroda. The other 17 members of the coalition voted no.

Sen. Duke Kawasaki led the debate against the raises, noting that the main reason for the proposed pay increases seemed to be the pressure of rising wages for government union members.

The answer to that problem, he insisted, would be to put clamps on union pay increases — not to raise administrative pay "to absurd levels."

Republican Sen. D.G. Anderson supported the move to kill the administrative pay raises, but he warned that something would have to be done soon about the growing inequity between state administration pay levels and the money earned by county officials and top civil service employees.

"Next year this Legislature is going to have to confront the question of morale . . . and drawing people into government," he said.

Theoretically, the Senate opposition was due to the size of the pay raises. But the more basic issue seemed to be the question of unity within the coalition majority and determination not to succumb to pressure from House leaders.

The coalition was a politically explosive arrangement to begin with. The only way to survive was to prove that the group could work and deliver worthwhile legislation.

And the only way to make the

See Legislature on Page A-4

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coalition work was for members to stick together even when individual feelings may have run counter.

Thus, when a Senate position against the raises was struck, the coalition backed that position all the way.

House budget negotiators, however, felt betrayed when even two of the pay bill conferees — Sens. Mamoru Yamasaki and Wadsworth Yee — agreed to the compromise and then voted no on the Senate floor.

If they had supported the conference agreement, House members noted, the vote would have been closer and might even have gone the other way.

"In future conferences, I think I would wonder how much it (conference agreements) really means," said House Majority Leader Dennis Yamada.

"Tradition had always had it that when conference committee reports are reported to the floor, leadership has always supported the conference committee drafts," said a disappointed House Speaker Henry Peters early yesterday.

But the Senate side insisted yesterday that House leaders were warned, specifically and repeatedly, that the pay bill would die. The House insisted, however, that it be given its "day in court" on the Senate floor, Yamasaki said.

That fragile pay package was worked out behind closed doors in the last hours of more than a week of conference deliberations — most of which had been open to the public.

But the final secret talks raised constitutional questions at the very end and generated a storm of critical talk on the Senate floor early yesterday morning before adjournment.

The session was supposed to end at midnight. But at around 10:30 p.m. Gov. Ariyoshi — flanked by Attorney General Tany Hong and other aides and attorneys — showed up.

He sat down in the closed office of Senate Clerk Seichi Hirai with Senate President Richard Wong, House Speaker Peters and others.

The topic: Was the final decision on the new budget and on other spending bills legal — in light of a constitutional requirement that all decision-making sessions of the Legislature "shall be open to the public"?

Ariyoshi emerged about an hour before midnight and told reporters: "The concern was whether there was a violation of the open-meeting law."

Ariyoshi later made it clear his feeling was that the best cure for the lawmakers would be to reconvene the House-Senate conference, hold a decision-making session, redistribute the bill and allow the constitutional waiting period of 48 hours to expire.

But, he insisted, it was ultimately the Legislature's decision to make.

"They've got to try and work it out themselves," he said.

Then he sat down and signed an order granting the Legislature another four-hour extension on a session that was supposed to end last Friday.

Legislative leadership huddled briefly and came up with this solution: The conference committee would be reconvened to place its formal stamp of approval on the budget and other money bills distributed several days earlier.

The two sides trooped up to the third floor of the Capitol to the room where the budget conference had begun nearly two weeks before.

Beginning at 12:30 a.m., a half-hour ritualistic drama ensued. House Finance Chairman Tony Kunimura praised Senate Ways and Means Chairman Yamasaki.

Yamasaki returned the favor.

All the money bills were affirmed by the full group, and everyone returned to the House and Senate chambers for the final voting.

Legislators insisted that the showpiece session was not really necessary, but they held it anyway because of the concerns raised by Ariyoshi.

Yamasaki said late yesterday that he believed there was no "willful violation" of the constitutional requirement and that both sides did what they could to satisfy open-meeting requirements.

When they got back to the voting, the entire process by which the arrangements were made was the key element of debate in the Senate.

"I believe this bill might be sub-
ject to challenge in court," said Democratic Sen. Dennis O'Connor, a member of the seven-member Democratic "minority" bloc that was left out of the controlling coalition.

"It will indeed be unfortunate if this bill is rendered a nullity," he added.

Ariyoshi had no comment later yesterday on whether he believed that the early-morning showcase conference satisfied constitutional requirements.

But he will be presented with an interesting question when it comes time to sign the budget and other spending bills into law. His attorney general already has said once, as he put it, that the budget decision "did not comply with the open-meeting law."

No one at the Legislature was arguing that the early-morning session was an actual decision-making session; it was a fiction designed to offset what could be legal challenges later.

And if that constitutional hassle wasn't enough, Senate members were presented with another legal question as they finally voted on the budget.

Sen. Ben Cayetano, principal author of the bill which last year formally set up the mechanism of the spending ceiling, warned his fellow lawmakers that they may have been violating the Constitution when they approved certain specific money items.

Several big-ticket items, including $5.8 million for school asbestos removal and $4.1 million settlement in a personal injury suit against the state, were tagged to be spent this year rather than when the new budget year begins in July.

Those items, plus a handful of others, were moved out of next year's budget into this year's to ensure there would be a cushion below the spending ceiling for 1981-82.

But, said Cayetano, the total amount of state spending for the year ending June 30 already is over its constitutional limit.

That means no additional spending without a two-thirds vote of both houses and a specific public declaration that the ceiling is being broken and the reasons for doing so.

Since those requirements were not met, Cayetano said, the spending was in trouble.

"I really think the appropriations are in violation of the law and thus illegal," he said.

Ways and Means Chairman Yamashiki produced an opinion approved by Attorney General Hong which said there would be no problem since the spending ceiling was designed to apply for the first time to the 1981-82 budget itself.

Not so, said Cayetano, who pointed out he specifically intended to include spending for the current year.
IN RETURN, Republicans won the chairmanship of six of the 16 Senate committees. They also got three of the five Senate majority leaders, Cayetano, Kawakami and Soares. Democratic followers always will be a minority party, as members in the past were given better treatment, O'Connor said. It's usually the practice to change the rules before violating them, O'Connor responded.

The seven Democrats were left out as a minority party, as members in the past were given better treatment, O'Connor said. It's usually the practice to change the rules before violating them, O'Connor responded.

O'Connor also said minority Republicans argued the coalition doesn't prevent the Senate from changing its rules to allow coalition Democrats to sit together on the Senate floor. Democrats want to sit together on the Senate floor debates and hearings, and coalition Republicans won the right to use the legal and research personnel hired by the Democratic caucus to produce documents and research. O'Connor said that while the Senate was formed on a bipartisan basis, the Republicans were able to maintain that majority faction, with O'Connor as the majority party leader.

Government Reform Committee Chairman Dennis O'Connor, 7th Dist., said the Senate didn't make a mistake in changing the rules. He told O'Connor that as far as he was concerned you are entitled to your opinion, but O'Connor is the majority leader.

The Senate was formed on a bipartisan basis, O'Connor said, but the Republicans were able to maintain that majority faction, with O'Connor as the majority party leader. He told O'Connor that as far as he was concerned you are entitled to your opinion, but O'Connor is the majority leader.

Charles Campbell, 5th Dist. (Urban Oahu), is concerned there are only two factions in the Senate—Republicans and Democrats who number 17 and the Senate floor—we've been given a privilege which was always granted, and budget-cutting and homeowner rest for debate. O'Connor also said minority Republicans argued the coalition doesn't prevent the Senate from changing its rules to allow coalition Democrats to sit together on the Senate floor. Democrats want to sit together on the Senate floor debates and hearings, and coalition Republicans won the right to use the legal and research personnel hired by the Democratic caucus to produce documents and research. O'Connor said that while the Senate was formed on a bipartisan basis, the Republicans were able to maintain that majority faction, with O'Connor as the majority party leader.
lost his Ways and Means Committee chairmanship in the power struggle, responded to criticisms directed against the coalition by Democratic Party Chairman James Kumagai last week.

Kumagai described the Anderson-Wong coalition as "another one of the great Republican victories" and questioned both the stability and merit of the bipartisan alliance.

Cayetano said Kumagai apparently doesn't "understand or appreciate what is happening to the Democratic Party."

"He does not see that this coalition is yet one more symptom that the Democratic Party is sick and strong measures 'must' be 'taken to revive it,'" Cayetano argued that "the Democratic Party was born out of factionalism..."

There are three courses of action open to Kumagai as party chairman, he said.

"First, he can pursue the status quo and do nothing; in that case the party will continue to deteriorate as it is now doing," he said.

HE SAID Kumagai also can take disciplinary action against the coalition Democrats for "our alleged breach of party loyalty."

But Cayetano wondered whether all 17 Democrats in the Senate then should be disciplined because the 10 pro-Wong Democrats and the seven O'Connor Democrats all participated in negotiations with Republicans for a coalition.

Cayetano said he favors a third course of action in which Kumagai would take steps "to bring all of the factions of the Democratic Party together."

But this can only be done, Cayetano said, if Gov. George Ariyoshi, as titular head of the party, "takes charge of the situation and if all concerned recognize that the greatness of the party lies in its diversity."

Sen. Clifford Kuwaine, another coalition Democrat, told minority Democrats: "When you go for the brass ring and then fall on your face, don't be a cry baby."

Sen. Milton Holt, a minority Democrat, said that if the Democratic Party is sick, then forming a coalition as a remedy is "like telling me to drink beer to get rid of a hangover."

To that comment, Big Island Sen. Dante Carpenter, a coalition Democrat, said: "I've tried that and it works."
Still Islands there has been a gradual change in Hawaii's political power structure, as new faces have begun to replace many of the retiring veterans of the 1894 Democratic revolution.

Unlike the upheaval that occurred nearly three decades ago, the change in recent years has been slow — brought on, in part, by the so-called Hawaiian renaissance, which was responsible for the creation of the Office of Hawaiian Affairs in the 1978 Constitutional Convention.

A review of the personalities on Hawaii's political scene shows a common thread: resembling the crusade for economic and social justice after World War II that united young Japanese American veterans and their labor allies.

Many politicians, like newly-elected Maui Councilman Wayne Nishii, are discontented with what they believe are the intense power and influence Hawaii's unions and developers wield throughout the state.

Before his victory last year Nishii nearly pulled off a major political upset, almost winning the 1978 Democratic nomination for Honolulu governor with an expensive television advertising campaign. He blames the present group of leaders for the uncertainty in unemployment, the rising crime rate and the lack of affordable housing.

There are other politicians like Board of Education member John Peenebracher, a member of the University of Hawaii's Fabulous Five basketball team from 1959 to 1973, fresh from Democratic state Rep. Tom O'iterman, a former school board member, and House Democratic Majority Floor Leader Kathleen Stanley, who say they are working to restore confidence in government.

Okamura, 22, also served in the 1978 Constitutional Convention — an arena where many of the state's current crop of politicians began their political careers.

ANOTHER FRESHMAN House member, Democratic Rep. John Nichols, a member of the University of Hawai'i law school's first graduating class — also is an alumnus of the 1978 convention. Walhee, 34, was single but one of the convention's leaders, and a person to keep an eye on in the future.

In addition, the Star-Bulletin's list of "politicians on the run in '81" has included the names of "estabishment" figures who are eyeing other elected offices.

They are Senate President Richard S.H. Fong, who has expressed a desire to run for governor or mayor; Democratic state Sen. Dennis O'Connor, another gubernatorial aspirant; and GOP state Sen. Patricia Buhl.

Alt-calling in the wings are Democratic state Rep. Cecil Heftel and David Alake. Heftel already has said that he may seek the jobs now held by Gov. George Ariyoshi and U.S. Sen. Spark M. Matsunaga, whichever post becomes vacant first.

ALSO CERTAINLY "on the go" is Harry Bitterman, the newest and youngest member of Ariyoshi's cabinet, who only this year was appointed director of the Department of Regulatory Agencies. Bitterman rejoins the state government after serving for nearly a year as the youngest woman to head the Voice of America — the U.S. government's global radio service.

Bitterman, 38, seven years ago was the youngest person and the first woman to run Hawaii Public Television (KHTV). With that appointment she also became the youngest general manager in the national network of the Public Broadcasting Authority.

Bitterman also has been the first woman to chair the East-West Center board of governors and the youngest person and the first woman to serve on Dillingham Corp.'s board of directors.

Other ambitious politicians to watch during the year are:

continued over
Speaker Henry H. Peters

During his one term as Democratic majority leader, Rep. Henry Haalilio Peters was described as the "House bouncer," considered by some too volatile to serve as speaker of the 51-member House, due to his temper.

In candid interviews, Peters, D-21st Dist. (Waianae-Ewa Beach), acknowledged that during his freshman years as a legislator he may have been unorthodox in his approach.

But with his elevation to positions of responsibility, first as majority leader two years ago and finally to speaker this session, Peters, 39, believes that he also has outgrown his old ways. And long-time Kaunakなか Democrat Tony Kunimura shares the views of many of his colleagues that Peters is now an able leader who has a deep-rooted desire to leave behind a better Hawaii.

Peters has described himself as "a late bloomer." He started off as a ministry student, but later settled upon a business administration degree from Brigham Young University.

When the Hawaii Army National Guard's 29th Infantry Brigade was activated in 1968 for duty in Vietnam, Peters received his first taste of political activism when he and then-Spec. 4 David Schutter, now a prominent Honolulu defense attorney, protested what they believed was the unfair way Hawaii's citizen soldiers were being called up.

The two activists even took their complaints to Washington D.C.

Before his election to the state House in 1974, Peters was director for the Waianae Model Cities Program for five years. His mother, Hoaliku Drake, served as former Mayor Frank Fasi's director of the Human Resources Department.

Until he was elected majority leader in 1978, Peters had not chaired any major House committees, although he did serve as vice chairman of the powerful Finance Committee under the able leadership of former Big Island Democrat Jack Suwa.

Peters left the dwindling ranks of full-time legislators two years ago when he was hired by Dura Construction Co. Inc. as an industrial relations officer at a monthly salary of $1,000.

He is married and has a 13-year-old daughter.
A Way to Reduce Campaign Spending

33 Candidates for State Are Unchallenged in the

Thirty three candidates in 18 districts will coast into office as state legislators with no opposition in the Nov. 4 general election. They will fill more than half of the 60 legislative seats up for election this year.

They are, in the Senate:

2nd District (Mau) — Incumbent Sen. Mamoru Yamaski, Democrat.

Yamaski, 63, has added a new four-year term to his 12-year career as a state senator. He is a bachelor and long-time ILWU leader on Maui. He is chairman of the Senate’s Legislative Management Committee and vice chairman of the Human Resources Committee.

4th District (Leeward Oahu-North Shore) — Incumbent Sens. Norman Mizuguchi and Patsy Young, Democrats.

Mizuguchi, 41, is president of a company that holds the franchise on a Mago’s pizza parlor. He has served one term in the Senate as chairman of the Transportation Committee and majority floor leader.

Young, 50, is a full-time legislator, entering her third term in the Senate where she is chairman of the Committee on Housing and Hawaiian Homes. She served two years in the House before moving to the Senate.

5th District (Nuuanu-Ale) — State Representative Milton Holt and incumbent Sens. President Richard (Dickie) Wong, Democrats.

Wong, 50, served four terms in the state House before he was elected to the Senate in 1974. He became Senate president two years ago. He was a full-time legislator until this year when he became a real estate investment executive.

Holt, 27, a Bank of Hawaii employee, was elected to the state House two years ago. He had worked three years for former Senate President John T. Ushijima, who lost control of the Senate to Wong in 1978. A prominent athlete, he was a quarterback for Kamehameha Schools, Harvard University and the defunct Hawaiian team in the World Football League.

7th District (Kaimuki-Hawaii Kai) — Incumbent Sens. Dennis O’Connor, Democrat, and Buddy Soares, Republican.

O’Connor, 50, an attorney, was elected to the state House in 1970 and won a Senate seat in 1974. He is chairman of the Senate Judiciary Committee and serves on several other committees.

Soares, 51, an assistant Republican floor leader, was first appointed to the Senate in 1972 to fill a vacancy left by former GOP Sen. Fred Rohlfing. He previously served nine years in the House. He is Aloha Airlines’ marketing director for Hawaii and the South Pacific.

Outright winners in the House are:

1st District (Kal-Puna-South Hilo) — Andy Levin, Democrat.

Levin, 34, an attorney and former county councilman, bumped Rep. Gil Silva from the district’s seat after losing a bid for it four years ago. Silva was appointed by Gov. George Ariyoshi last year to replace Rep. Jack Suwa who retired.


Takamine, 54, will become the Legislature’s senior member with a 12th term in the House. He is the Hawaii Island Division director of the ILWU and chairman of the House Labor Committee.

9th District (St. Louis-Maunalei Heights) — Incumbent Reps. Ted Morika and Calvin Say, Democrats.

Morioka, 53, has been with Hawaiian Telephone Co. for 33 years and a state representative for eight terms. He served as House Finance Committee chairman last year.

Say, 28, was first elected to the House in 1976 and has been chairman of the House Culture and Arts Committee. A University of Hawaii graduate, he has employed as a busboy at the Flamingo Chuckwagon.

10th District (Kaimuki-Kapahulu) — Incumbent Reps. Ken Kiyabu and Bertrand Kobayashi, Democrats.

Kiyabu, 43, a part-time real estate agent and tour guide, will be sailing his fourth term in the House where he has headed the House General Planning and Tourism committees.

Kobayashi, 56, was elected to his first term in the House two years ago, serving as vice chairman of the Health Committee and a member of the Finance Committee. He formerly taught political science at the American University in Washington D.C.


Kamatili, 49, has served three terms as a state representative and as the 2nd minority leader in the House. She has been active in the Republican Party organization and as a research specialist in the Legislature.

Lacy, 60, has won his second term in the House. He is a retired rear admiral and an executive with Hawaiian Agromines Co. (International). He was a delegate to the 1978 Constitutional Convention.


Hagono, 33, a lawyer with the King, Nakamura and Takahashi law firm, has been a House member for one term, serving as vice chairman of the Committee on Culture and the Arts.

Hirono, 33, is a lawyer on leave from her job as a deputy in the Justice Division of the state attorney general’s office. She has been a delegate to four state Democratic Party conventions and is past president of the Honolulu Young Democrats organization.

17th District (Pearl Harbor-Kailhi-Kalihi) — Gene Albano and John Waiahe, Democrats.


Waiahe, 34, is a lawyer with the firm of Waiahe, Manus and Yap and was a leader in the 1978 Constitutional Convention. He formerly was a planner in the city Office of Human Resources and an evaluation specialist with the Model Cities Program.

18th District (Aiea-Maunalua) —
Legislative Seats

General Election

Tom Okamura and Connie Chun, Democrats.

Okamura, 31, is vice chairman of the state Board of Education, a position that will expire when he takes office as a state representative. He was a 1978 Con Con delegate and has served as a legislative aide to the House and Senate and to city Com­mancer George Akahane.

Chun, 52, is a nurse, lawyer and a member of the running “Hunky Bunch” family. The others are her husband, Dr. H.H. Hunky Chun, and six children. She has degrees in health and law from the University of Hawaii and is a former chairman of the Honolulu Police Commission.

19th District (Pearl City-Pearl Ridge) — Incumbent Rep. Clarice Hashimoto and Eloise Yamashita Tungpalan, Democrats.

Hashimoto, 26, was elected to a House seat two years. She has serv­ed as vice chairman of the House Committee on Energy and as a member of five other committees including Finance. She formerly was a social worker at Waimano Home and was a 1978 Con Con delegate.

Tungpalan, 35, is a University of Hawaii graduate and chairman of the Leeward District School Advisory Board and the Neighborhood Board. One year ago he was an instruc­tor in management analysis at the Hawaii Institute for Management and Analysis in Government.

26th District (Ewa-Walpahu) — Incumbent Reps. Daniel Kihano and Mitsuo Shito, Democrats.

Kihano, 47, has been a House member for five terms and has serv­ed as vice chairman of the House Committee on Energy and as a member of five other committees including Finance. He is a partner in the Leeward Coast Trading Co., a used-furniture and appliance store, and is developing a bowling center and shopping complex in Nanakuli.

Shito, 50, will move into his fourth term in the House and has been majority leader for two years. He handles industrial relations for Dura Con­structor and is a former Mod­ern Cities community advocate.


Nakamura, 54, a lawyer and former city councilman (1961-66), has served two terms in the House. He has been chairman of the House Committee on Corrections and Reha­bilitation and a member of the House Policy Committee.

Hagino, 31, a 1978 Con Con dele­gate and brother of Rep. David Hagino, has won his first legislative race. He is a re­finery operator for Hawaiian Independent Refinery.


Toguchi, 38, has been a full-time legislator since his first election to the House in 1976. He is chairman of the Committee on Ocean and Marine Resources and has served on many other committees. As a former school teacher, he has a master’s degree in administration from the University of California at Long Beach.


Kawakami, 49, is part owner and general manager of Kauai Toyota in Lihue. He has served six terms in the House and chairs the Water, Land Use, Development and Hawai­ian Affairs Committee.

Kunimura, 57, has served 18 years in the House and is a member of the powerful House Policy and Finance committees. He formerly served eight years on the Kauai County Board of Supervisors.

Yamada, 36, has had 10 years of experience in the House and heads the Judiciary Committee. He has a private law practice in Lihue and is director of Hale Opio, a home for troubled teenagers.

Aki, 43, has served four terms and has been chairman of the House Committee on Youth and Elderly Af­fairs for four years. Aki is a partner in the Haalilio Peters, Democrats.

Hagino

Nakamura

Toguchi

Kawakami

Yamada

Shito

Aki

Peters

Kunimura
Island Leaders reply to Attack on Reagan

By Gregg K. Kakesako
Star-Bulletin Writer

In the wake of yesterday's assassination attempt on President Reagan, Hawaii Senate President Richard S.H. Wong said he wished that the Senate had approved his bill calling for a ban on handguns.

Wong's handgun ban bill died in the Senate Ways and Means Committee two weeks ago.

"I think this entire incident is most regrettable and unfortunate," said Wong, D-8th Dist. (Urban, Oahu).

His sentiments were repeated by House Minority Leader Kina'u Kamali'i, who co-chaired the Hawaii Reagan presidential campaign committee with Senate Republican Leader Wadsworth Yee.

"We are all outraged and saddened by this too-familiar violence," said Kamali'i, R-11th Dist. (Ewa-Mauna-Waikiki).

"We must firmly and finally act to end this kind of violence. People's dreams of our nation have turned to nightmares too many times. We must act decisively to prohibit handguns; we must act decisively to prosecute violent crime to the full measure of the law," Kamali'i said.

"I am deeply disturbed at the news that President Reagan was shot," said Rep. Cecil Hee, who represents the 8th District on Oahu.

"I am greatly saddened to hear that President Reagan was shot. This is a national tragedy," he said.

"I ask the people of Hawaii at this time to offer their prayers for the successful recovery of President Reagan and the others injured in today's tragic shooting," Mayor Eileen Anderson said.

She expressed shock over the attempted assassination and said she is very much concerned for the wellbeing of the president, as well as of the other three men who were shot outside the Washington Hilton Hotel.

In Washington, Sen. Daniel Inouye said: "It has been a tragic and terrible day."

Inouye said the news of Reagan's injury came during the Senate debate on the budget and the Senate immediately went into recess upon learning of the incident.

AS FOR HANDGUN legislation, Inouye said: "My record is clear; I have always supported the control of handguns."

Rep. Cecil Hee said: "For Congress, the shooting is a frightening reminder that we have failed to act on gun control over the licensing and possession of firearms."

"I don't know whether this final blow will awaken the Congress or not, but I certainly know there are a number of us who have put legislation into the hopper that this body has been unwilling to move on.

"But Anderson said he doesn't believe that a handgun ban would solve the problem.

"There are thousands of guns out there and it would be an extremely costly and irresponsible approach, which would have broken the bank to confiscate all those handguns," he said.

"But Anderson said he endorses a Senate-approved bill that would require the handgun applicant to wait 15 days before obtaining a gun permit."
Sen. Richard Wong

"They want control"

By Charles Turner
Advertiser Labor Writer

Hawaii's largest government workers union says it would support the idea of a bipartisan coalition ruling the state Senate in 1981 if that's what it takes to oust Sen. Richard Wong from the Senate presidency.

But Wong said yesterday the Hawaii Government Employees' Association is opposing him only because "they want control of the Senate."

The HGEA opposition to Wong surfaced this week at a press conference held by Russell Okata, top assistant to David Trask, executive director of the 26,000-member Hawaii Government Employees Association.

"We're hoping that the Senate will have a program that is supported by a great majority of the membership," said Okata.

"Why are they doing it unless they want control of the Senate?" asked Wong yesterday.

He said overall, he and his Senate supporters have backed the union's legislative proposals and that the voting records of the incumbent senators would show this.

Wong noted that the union may not have gotten all that it wanted, but the final result of such proposals as increased pension payments for retirees and an increase in state contributions toward government workers' health care costs were the result of legislative compromising.

A decision to hold down pension costs last year, for example, was not necessarily bad, said Wong.

Okata said the HGEA has been unhappy with the past two Legislatures.

He said failure of the Legislature to make larger contributions to health-welfare benefits for employees was one of the complaints from HGEA members.

Another near-failure occurred in the recently concluded session when the Legislature waited until the final day before passing a bill to improve pension benefits. Okata said only support from the House helped save the bill.

There were few surprises in the endorsements released Monday by the HGEA for the Nov. 4 general election.

As predicted by The Advertiser Saturday, Republicans John Carroll and Ann Kobayashi won endorsement in their Manoa-Waikiki senatorial race over Democrats Chong and Clifford Uwaine. The HGEA also endorsed Republicans Richard Henderson, Mary George and Buddy Soares in their Senate campaigns.

Wong will hold a press conference this morning to further reply to the Union's endorsements.

Okata told reporters that Rep. Henry H. Peters, who was among "members endorsed by the HGEA this week, would be a good choice for the speakership in 1981. The House must select new leadership because Speaker James Wakatsuki accepted a circuit court judgeship this year.

The HGEA also became the first union to announce its endorsements for the Office of Hawaiian Affairs, backing the following:


Oahu (1) — George Hookano.

Hawaii (1) — Malama Solomon.

Maui (1) — Walter "Kinky" Correa, Sr.

Molokai (1) — Walter L. Ritte, Jr.

Kauai (1) — Moses "Moke" Reale.
Republican legislators start organizing today in separate caucuses

By Sandra S. Oshiro
Advertiser Government Bureau

Organizational efforts were scheduled to get under way today in the state Legislature, with Republicans meeting in separate House and Senate caucuses. Meetings of the Democratic majorities where legislative leaders are chosen are expected later, with the House Democrats tentatively set for an organizational caucus tomorrow.

Republicans made small gains in Tuesday's ballooning but Democrats continue to hold wide majorities in both houses — 17-8 in the Senate; 39-12 in the House. Thus, Democrats will have the responsibility for choosing legislative leadership, so the critical organizational action will take place in their majority caucuses in House and Senate.

A new House speaker, succeeding James Wakatsuki, who was appointed to a state judgeship, must be chosen, other leadership positions filled and committee assignments parceled out.

Rep. Henry Peters of Waianae is the favorite for speaker and Rep. Dennis Yamada of Kauai is said to be considering the post of majority leader. It also has been suggested that Rep. Russell Blair is the only qualified non-freshman to take over the House Judiciary Committee should Yamada step down as chairman.

The important House Finance Committee chairmanship is also reported up for grabs in the organizational shuffle. No major changes are expected in the House Republican caucus.

Kinau'u Boyd Kamali'i is expected to remain minority leader, but the defeat of Faith Evans has left the minority floor leader slot open. There is some speculation that newly elected Rep. Fred Rohlfing might be a candidate for that post.

Within the Senate GOP caucus, there has not always been unanimity over leadership positions and organization may not be resolved immediately. Sen. Wadsworth Yee is expected to remain as minority leader although there have been rumbles of dissatisfaction within GOP ranks over Yee's handling of the post.

The Republicans also are expected to discuss possible negotiating chips they hold in dealing with the divided Senate Democrats.

Senate President Richard Wong, who was scheduled to return home today after a short business trip to the Mainland, had not called a formal caucus of the Democrats by yesterday.

Wong organized the Senate in 1978 with a slim 13-vote majority and lost two key supporters with the defeat of T.C. Yim and Anson Chong.

Some Democrats have been discontented with Wong's committee leaders, including Ways and Means Chairman Benjamin Cayetano and Higher Education Chairman Neil Abercrombie.

Kauai Sen. George Toyofuku said he would like to chair the Ways and Means Committee and probably would be backed by his Neighbor Island colleagues.

Whether Wong would agree to oust Cayetano and Abercrombie to make room for Toyofuku and other senators in exchange for their support remains a burning question.

One potential Wong supporter, newly elected Democratic Sen. Clifford Uwaine, said yesterday that he will not commit himself to any candidate for president until he listens to all sides.

Uwaine, a former state representative, led the ticket in the heated 6th District (Manoa-Waikiki) race. He and Republican Ann Kobayashi defeated incumbents Chong and John Carroll in a strategic election which had been the focus of heated debate.

Wong had thrown his support behind Chong and Uwaine to bolster his power base in the Senate. However, the Hawaii Government Employees Association, upset with Wong for what it said was a failure on his part to back pro-labor measures, supported Kobayashi and Carroll.

The election results in that district were basically a draw for the feuding Wong and union forces.
Peters Is Chosen Speaker of House

Rep. Henry H. Peters, majority leader of the state House of Representatives, was elevated to the speaker’s position in what reportedly was a unanimous vote of the 39 House Democrats in a closed meeting yesterday.

The Democratic representative from Waianae—who regards himself as a “common layman”—also proposed his own leadership team and it was accepted without opposition, according to reliable sources.

They include: Rep. Daniel J. Kiha-no, 20th Dist. (Ewa-Waipahu), re-elected as vice-speaker; Rep. Dennis Yamada, 27th Dist. (Kauai-Niihau), replacing Peters as majority leader; and Rep. Kathleen Stanley, 14th Dist. (Kakaako-Punchbowl), as majority floor leader.

Yamada formerly was Judiciary Committee chairman, Stanley was assistant majority floor leader and chairman of the Committee on Public Employment and Government Efficiency.

The previous majority floor leader was Katsuya Yamada of the Big Island who ran unsuccessfully for the Senate this year.

The Democrats—who control 39 of the 51 House seats—met late into the night to line up their leadership and were to caucus again this afternoon to work on committee assignments, chairmen and vice-chairmen posts.

Sources described yesterday’s meeting as “very smooth” with no apparent factions or dissent from freshmen legislators who served in the 1978 Constitutional Convention.

Many of the 15 new House members are expected to look to newly elected Rep. John Waihee, a lawyer and Con-Con leader, to represent

Harmony Reigns as House Chooses Peters as Speaker

Continued from Page One

their interests among the veteran legislators.

Waihee said after his election that there will be “a different style” in the House after the strong leadership of former House Speaker James Wakatsuki, who dropped out of politics to become a judge.

He believes all of the majority members should have some influence in making decisions—rather than relying on the House leaders. But he also said he does not believe in coalitions.

Although other House Democrats reportedly were interested in the speakership, Peters was considered the likely successor for Wakatsuki, who personally groomed him for the role.

Sources said the Democrats’ organizational process, while slow, is “on course.”

It’s just a matter of fitting the right people in the right slots, one member said.

A number of representatives reportedly are vying for the chairmenships of the powerful House finance and judiciary committees.

Those interested in the finance post include Reps. Ken Kiyabu, Ted Morioka, who held the job last year, Mitsuo Shito, Herbert Segawa and Tony Kunimura.

Rep. Russell Blair, chairman of the Consumer Protection and Commerce Committee, is believed to be the top choice for the Judiciary job, replacing Dennis Yamada.
Wong Sees HGEA Bid to Control State Senate

By Gregg K. Kobesako
Star-Bulletin Writer

The battle for the state Senate leadership is developing into what Senate President Richard S.H. Wong believes could be the final move by the state's largest government employees union to control the state. And the outcome, according to Wong, will determine whether David Trask, executive director of the 21,000-member Hawaii Government Employees Association, will tighten his hold on all the major sources of political power in the state.

With Trask's help, Democrat Eileen Anderson is expected to be Honolulu's first female mayor and it is Wong's contention that only he and his "fragile majority of reform-minded senators" stand in the way of Trask's political domination of the state.

During last month's bitter 5th Senatorial District (West Honolulu) primary race, Wong charged that Trask had set up Democratic freshman Rep. Milton Holt to either knock him or his running mate, Sen. T.C. Yim, out of office.

Wong contends that Holt's entire Senate campaign was engineered and supported with HGEA money and manpower, an accusation both Holt and Trask denied during the campaign.

YIM, WHO angered the state administration and the HGEA when he unsuccessfully tried to block the renomination of state Planning Director Hideto Kono in the 1979 legislative session, was defeated in the Sept. 20 primary.

The message to Wong's supporters was clear—oppose Trask and expect the worst in the form of a well-financed political opponent.

Both Holt, who polled the most votes in that contest, and Wong were elected outright to the Senate in the primary since they face no opposition in the Nov. 4 general election.

Wong took Yim's defeat badly, not only because of their long-standing friendship, but, more importantly, because Yim's defeat made a sizable dent in his "fragile majority."

Two years ago, Wong was barely able to get the 13 votes he needed to take the Senate presidency away from Sen. John T. Ushijima of the Big Island. At times during the past legislative session, it was never clear whether Wong was in full control of his ragtag—as he has affectionately called them—band of supporters.

At this week's news conference, Okata himself admitted that the HGEA only plans to concentrate its general election efforts on the Senate and not in the House "since we have friends there...."

Okata announced the HGEA's endorsement of a slate of Senate general election candidates—six of them incumbents who the union believes will back the HGEA's move to oust Wong.

The HGEA bypassed two of Wong's supporters in the 8th Senatorial District (Mauna-Waikiki) incumbent Anson Chong and Rep. Clifford Uwaine— and threw its support to Republicans Sen. John Carroll and newcomer Ann Kobayashi, an aide to Senate Republican Leader, Wadsworth Yee

The HGEA endorsement of getting the state House speaker elected outright to the Senate in the primary two years ago, was seen as an attempt by the HGEA to dump GOP incumbent Ralph Ajifu, a longtime Wong supporter.

Morris and GOP Sens. Ajifu and Mary George, also endorsed by the HGEA, are seeking the two Windward Oahu senatorial seats.

The HGEA is hoping that Wong won't be able to once again scrape together the votes he needs to be reelected president.

Besides Chong and Ajifu, the HGEA also wants to dump Big Island Democrat Dante Carpenter, another Wong supporter.

WONG ADMITS that he still doesn't have the 13 votes he needs to retain the presidency.

"But I still command the largest bloc of votes at this point and anyone who wants to run the Senate will have to deal with me first..."
Four AFL-CIO unions which were included in a coalition endorsing Mayor Frank Fasi's re-election have backed off from their commitments, which were announced in April.

Three of the four have decided to remain "neutral" and the fourth has decided to poll its members and make its own endorsements for the Sept. 20 primary election.

This week, the coalition of 17 AFL-CIO unions endorsed JoAnn Yukimura in her bid to unseat Kauai's Mayor Eduardo Malapit.

Most of the unions are not affiliated with the Hawaii state AFL-CIO, formerly known as the State Federation of Labor. The unions in the "fed" took a neutral position in their recent convention to endorse candidates for the Honolulu mayor's race. The most powerful of the unions in the "nonaligned coalition" are the three locals of the International Brotherhood of Electrical Workers.

Other unions in the coalition include the American Federation of Government Employees, Carpet-Linoleum-Soft Tile Layers, Asbestos Workers, Drywall, Tapers and Finishing, Ironworkers Shopmen's Local 803, Roofers, Service Employees, Operating Engineers, Painters and United Food and Commercial Workers.

Electrical Workers Local 1386, headed by Akito "Blackie" Fujikawa, was the rallying point when the coalition first announced its endorsement of Fasi in April. Fujikawa and Walter Kupau, president of the State AFL-CIO, have been at odds for many years because the AFL-CIO refused to endorse Fasi.

Coalition endorsements include the following:


State House — 1st District, Gil Iriye; 2nd District, Richard Matsumoto and Warren Nishihara; 3rd District, Yoshie Tsuchiya; 4th District, Richard Matsumoto; 5th District, Mark Andrews and Chris Crozier; 6th District, Riki Hatano and Anthony Tashima.

Seventh District, no endorsement; 8th District, Robert Harada; 9th District, William Okamoto; 10th District, Ken Kitano and Bertha Okamoto; 11th District, Dave Hagedorn; 12th District, Paul Andrade; 13th District, Geraldt Goo and Carol Yokota; 14th District, Chun Ching and Donald Dubois; 15th District, Donald Smith and Paul Hironaka; 16th District, Clarence Pacarro and Ted Yee.

Seventh District, no endorsement; 8th District, Warren Nakamura and John Yokota; 9th District, Emilio Aikau and Edith Takahara; 10th District, Charles Maehara; 11th District, Daniel Kilanga and Anthony Shimizu; 12th District, James Akata and Henry Pata; 13th District, Gerald Matsumoto and Rene Loukes; 14th District, Charles Souza; 15th District, Marshall Yama and Earl Evans; 16th District, no recommendation; 17th District, Russell Nakamura.

The coalition made no endorsements in the council races on the Big Island, Maui and Kauai.
Mayor Frank Fasi has been included in the list of endorsements by a coalition of labor unions, but three of the 18 unions have specified that they are neutral in the mayor’s race and another union has disavowed its participation in any of the endorsements.

Coalition spokesman Ted Sax said Fasi’s endorsement was not approved by Laborers Local 368, Bricklayers & Allied Craftsmen Local 1 and Operative Plasterers & Cement Workers Local 630.

A fourth union — Hotel Workers Local 5 — plans to poll its members before deciding on its endorsements in all of this year’s political races, Richard Tam, financial secretary-treasurer of the union, said yesterday.

Tam said Local 5 belongs to the coalition because of the group’s voter-registration effort but will make its own endorsements.

THE COALITION also endorsed city Prosecutor Togo Nakagawa for election to the newly elective office, JoAnn Yukimura for mayor of Kauai County and incumbent Herbert Matayoshi for mayor of Hawaii County.

The coalition did not endorse any candidates for county councils’ offices or several state House and Senate seats.

The coalition is composed of AFL-CIO unions with a combined membership of 31,700 workers, the news release said. The membership of the Hotel Workers and the three unions that are neutral in the race for mayor totals 15,000.

The other unions in the coalition are the American Federation of Government Employees; Asbestos Workers; Dry Wall, Tapers & Finishers; Electrical Workers Locals 1260, 1186 and 1357; Carpet, Linoleum & Soft Tile Layers; Operating Engineers; Painters; Service Employees; Iron Workers Local 803; Roofers; and United Food & Commercial Workers.

While these unions are affiliated with the AFL-CIO, most of them do not belong to the State Federation of Labor, which has taken a neutral stance on the mayor’s race.

OTHER CANDIDATES endorsed by the coalition are:

- Daniel Inouye
  • U.S. SENATE
- Daniel Inouye
  • U.S. HOUSE
- Cecil Heftel
- Daniel Akaka
- STATE SENATE
  1st Dist. (Hawaii County) — Dante Carpenter
  2nd Dist. (Maui County) — Frank Molina
  3rd Dist. (Windward Oahu) — Ralph Aljufo and Mary George
  4th Dist. (Leeward Oahu-North Shore) — Norman Mizuguchi and Patsy Young
  5th Dist. (West Honolulu) — Richard Wong and R.C. Yim
  6th Dist. (Manoa-Makaha) — Anson Chong and Clifford Uwaine
- STATE HOUSE
  1st Dist. (Kaa‘u-Puna-South Hilo) — Gil Silva
  2nd Dist. (South Hilo) — Richard Matsuura and Wayne Metcalf
  3rd Dist. (North Hilo-Hamakua-North Kohala) — Yoshito Takamine
  4th Dist. (South Kohala-South Kona) — Minoru Inaba
  5th Dist. (East Maui) — Mark Andrews and Chris Cruz
  6th Dist. (West Maui-Molokai-Lanai) — Riki Hokama and Anthony Takitani
  7th Dist. (Diamond Head-Aina Haina) — Barbara Marumoto and Fred Rohling
  8th Dist. (St. Louis-Maunalani Heights) — Calvin Say
  9th Dist. (Kapiolani-Kaimuki) — Ken Kiyabu and Bertrand Kobayashi
  10th Dist. (Kalihi-Lower Makiki) — David Hagino
  11th Dist. (Manoa-Makiki) — Gerald de Jesus and Carole Fukunaga
  12th Dist. (Kakaako-Punchbowl) — Dale Erickson and Donald Du Bois
  13th Dist. (Aiea-Aina Haina) — Byron Baker and Richard “Ike” Sutton
  14th Dist. (Kalihi-Kaimuki Heights) — Clarence Pacarro and Ted Yap
  15th Dist. (Pearl Harbor-Kalani Kail) — Gene Alhano and John Wagner
  16th Dist. (Aiea-Manoa-Mokapu) — Emily Alcon and Alice Takahara

19th Dist. (Pearl City-Pearl Ridge) — Clarice Hashimoto
20th Dist. (Ewa-Walpole) — Daniel Kihano and Mitsuo Shito
21st Dist. (Waianae-Waikiki) — James Aki and Henry Peters
22nd Dist. (Wahiawa-North Shore) — Fred Pagano and Oliver Lunasen
23rd Dist. (Waipahu-Kalama) — Charles Tsuji
24th Dist. (Kaneohe-Manoa-Pacific) — Thomas Luce and Faith Evans
25th Dist. (Kailua-Kaneohe) — Hiram Begley and Stephen Yamauchi

Builders’ List

Big Island Mayor Herbert Matayoshi and Big Island county Prosecutor Jon Ono, both Democrats, were endorsed for re-election by the Construction Industry Legislative Organization.

But on the recommendation of the Maui Contractors Association, the industry lobbying group did not make any endorsements in primary election races on Oahu and Kauai.

Also receiving the industry organization’s support on the Big Island were the following:

- John Aki
- William Kishimoto
- Jack Wilson
- John Nakato
- John Young
- Patsy Young
- Minoru Inaba
- Designates incumbents

STATE SENATE
1st Dist. (Hawaii County) — Katuya Yamada (D) and Richard Henderson (R)
2nd Dist. (Kaa‘u-Puna-South Hilo) — No endorsement
3rd Dist. (North Hilo-Hamakua-North Kohala) — No endorsement
4th Dist. (South Kohala-South Kona) — Minoru Inaba (D)

STATE HOUSE
1st Dist. (Hawaii County) — Dante Carpenter
2nd Dist. (South Hilo) — Richard Matsuura and Wayne Metcalf
3rd Dist. (North Hilo-Hamakua-North Kohala) — Yoshito Takamine
4th Dist. (South Kohala-South Kona) — Minoru Inaba (D)

COUNTY COUNCIL
• James Dahlgren (R)
• Tomio Fujii (D)
• Helen Hale (D)
• William Kawashima (R)
• Merle Lai (D)
• John Sakamaki (D)
• Mary George •

Sponsors: Schulte (D) and Stephen Yamauchi (D)
Businessmen's List

The Small Business Association of Hawaii has endorsed 44 candidates for the Legislature in Saturday's primary election.

The endorsements, made from a list of 132 names, went to candidates most favorable to small business, said Philip M. Whitney Jr., who is chairman of the association's political action committee.

The five-year-old association started by tire salesman Lex Brodle lobbies at the Legislature, publishes a newsletter, holds conferences and gives advice to small businesses.

Its list of endorsements follows. Candidates who are unopposed and who therefore will automatically be elected in the primary are identified in capital letters. Incumbents are designated by a *

**STATE SENATE**

1st—Hawaii County — Carpenter, Dante (D) and Henderson, Richard (R)
2nd—Mauka County — Machida, Gerald K. (D) and YAMASAKI, MAMORU (YAMA1) (D)
3rd—Windward Oahu — George, Mary (R) and Morse, Jack C. (D)
5th—Nuuanu-Alea — Yim, T.C. (D)
6th—Manoa-Waikiki — Carroll, John S. (Keoni) (R) and Kobayashi, Ann (R)
7th—Kaimuki-Hawaii Kal — O'CONNOR, DENNIS (D) and SOARES, W. BUDDY (R)

**STATE HOUSE OF REPRESENTATIVES**

1st—Kaua'i-Puna-S. Hilo — Levin, Andy (D)
2nd—South Hilo — Segawa, Herbert A. (D) and Desha, Piliani C. (R)
3rd—North Hilo-Hamakua-North Kohala — Tanaka, Earl (D)
4th—South Kohala-South Kona — Garrison, Gary (D)
5th—East Maui — Crozier, Chris (D) and Hunsaker, Bill (R)
6th—West Maui-Molokai-Lanai — Honda, Herbert J. (D)
AFL-CIO Endorses Eileen Anderson

Democratic mayoral candidate Eileen Anderson has received the endorsement of the Committee on Political Education of Hawaii State AFL-CIO, formerly known as the State Labor Federation of Labor. Anderson is running for the Honolulu mayoral seat.

The state AFL-CIO organization has endorsed her, indicating its support for her campaign. Anderson, who is seeking to be re-elected, has already won the endorsement of the state's largest labor union, the Hawaii State AFL-CIO, which represents more than 100,000 workers.

Anderson's endorsement comes as she faces tough opposition from her Republican opponent, Mike Honda, who is running on a platform of reform and fiscal responsibility. Honda has vowed to cut government spending and reduce the city's debt, while Anderson has promised to focus on improving education and public safety.

The endorsement of the AFL-CIO is significant, as it underscores the importance of labor's support in the mayoral race. Anderson's campaign hopes to build on this momentum and win the support of local workers and their families.

Here are some of the key issues that are likely to be discussed in the campaign:

- Education: Anderson has made education a top priority, promising to increase funding for schools and provide more support for teachers.
- Public Safety: Anderson has vowed to improve public safety, promising to increase police and fire department staffing and to enhance the city's response to emergencies.
- Fiscal Responsibility: Anderson has pledged to reduce the city's debt, which is one of the highest in the state.

The mayoral race is expected to be competitive, with both candidates running strong campaigns. Anderson's endorsement from the AFL-CIO is a significant boost, and she will likely use it to动员更多的工会成员支持她的竞选。
ILWU Recommends 'No' on 3 Reapportion Plans

The ILWU's Political Action Committee has recommended that voters on Oahu reject all three proposed city charter amendments on reapportionment of City Council seats because the union says that issue should be handled by the 1981 Charter Review Commission.

One of the reapportionment measures was initiated by Mayor Frank Fasi.

The state's other major labor union — the Hawaii Government Employees Association — has made a similar recommendation.

Concerning other county charter amendments, the Maui ILWU Division's Political Action Committee recommended a no vote on all of the 17 Maui County charter amendments.

The ILWU also recommended that voters adopt all the state constitutional amendments which will be on the ballot next week. The amendments deal with special legislative sessions and ratification procedures for future constitutional amendments.

The union also endorsed the reelection of President Carter and Senate President Richard S.H. Wong.

Here are the general election candidates endorsed by the ILWU:

- **U.S. PRESIDENT**
  - Jimmy Carter (D)

- **U.S. VICE PRESIDENT**
  - Walter Mondale (D)

- **U.S. CONGRESS**
  - Daniel K. Inouye (D)
  - Barbara Marumoto (R) and Fred Rohlfing (R)
  - Chris Crozier (R)

- **STATE HOUSE**
  - 1st Dist. (Hawaii) — No endorsement
  - 2nd Dist. (Urban Oahu) — No endorsement
  - 3rd Dist. (Urban Oahu) — No endorsement
  - 4th Dist. (Central Oahu) — No endorsement
  - 5th Dist. (West Honolulu) — No endorsement
  - 6th Dist. (East Oahu) — No endorsement
  - 7th Dist. (Windward Oahu) — No endorsement
  - 8th Dist. (Central Oahu) — No endorsement
  - 9th Dist. (North Shore) — No endorsement
  - 10th Dist. (East Oahu) — No endorsement
  - 11th Dist. (North Shore) — No endorsement
  - 12th Dist. (Makiki-Manoa) — No endorsement
  - 13th Dist. (Ala Moana-Waikiki) — No endorsement
  - 14th Dist. (Kalakaua Avenue) — No endorsement
  - 15th Dist. (Kalakaua Avenue) — No endorsement
  - 16th Dist. (Kalakaua Avenue) — No endorsement
  - 17th Dist. (Kalakaua Avenue) — No endorsement
  - 18th Dist. (Kalakaua Avenue) — No endorsement
  - 19th Dist. (Kalakaua Avenue) — No endorsement
  - 20th Dist. (Kalakaua Avenue) — No endorsement
  - 21st Dist. (Kalakaua Avenue) — No endorsement
  - 22nd Dist. (Kalakaua Avenue) — No endorsement
  - 23rd Dist. (Kalakaua Avenue) — No endorsement
  - 24th Dist. (Kalakaua Avenue) — No endorsement
  - 25th Dist. (Kalakaua Avenue) — No endorsement
  - 26th Dist. (Kalakaua Avenue) — No endorsement

- **STATE SENATE**
  - 1st Dist. (Hawaii) — No endorsement
  - 2nd Dist. (Urban Oahu) — No endorsement
  - 3rd Dist. (Urban Oahu) — No endorsement
  - 4th Dist. (Urban Oahu) — No endorsement
  - 5th Dist. (Urban Oahu) — No endorsement
  - 6th Dist. (Urban Oahu) — No endorsement

- **OFFICE OF HAWAIIAN AFFAIRS**
  - 1st Dist. (Ka'u-Puna-South Hilo) — Andy Leilani
  - 2nd Dist. (Kona) — No endorsement
  - 3rd Dist. (Hilo) — No endorsement
  - 4th Dist. (Kona) — No endorsement
  - 5th Dist. (Hilo) — No endorsement
  - 6th Dist. (Hilo) — No endorsement
  - 7th Dist. (Hilo) — No endorsement
  - 8th Dist. (Hilo) — No endorsement

- **BOARD OF EDUCATION**
  - At Large — No endorsement
  - At Large — No endorsement

- **HONOLULU COUNTY**
  - Mayor — No endorsement
  - Council — No endorsement
  - Council — No endorsement
  - Council — No endorsement

- **MAUI COUNTY**
  - Mayor — No endorsement
  - Council — No endorsement
  - Council — No endorsement

- **KUAU COUNTY**
  - Mayor — No endorsement
  - Council — No endorsement
  - Council — No endorsement

- **OFFICE OF HAWAIIAN AFFAIRS**
  - Hawaii — No endorsement
  - Hawaii — No endorsement

- **BOARD OF EDUCATION**
  - Hawaii — No endorsement
  - Hawaii — No endorsement

- **HONOLULU COUNTY**
  - Mayor — No endorsement
  - Council — No endorsement
  - Council — No endorsement

- **MAUI COUNTY**
  - Mayor — No endorsement
  - Council — No endorsement
  - Council — No endorsement

- **KUAU COUNTY**
  - Mayor — No endorsement
  - Council — No endorsement
  - Council — No endorsement

- **OFFICE OF HAWAIIAN AFFAIRS**
  - Hawaii — No endorsement
  - Hawaii — No endorsement

- **BOARD OF EDUCATION**
  - Hawaii — No endorsement
  - Hawaii — No endorsement

- **HONOLULU COUNTY**
  - Mayor — No endorsement
  - Council — No endorsement
  - Council — No endorsement

- **MAUI COUNTY**
  - Mayor — No endorsement
  - Council — No endorsement
  - Council — No endorsement

- **KUAU COUNTY**
  - Mayor — No endorsement
  - Council — No endorsement
  - Council — No endorsement

- **OFFICE OF HAWAIIAN AFFAIRS**
  - Hawaii — No endorsement
  - Hawaii — No endorsement

- **BOARD OF EDUCATION**
  - Hawaii — No endorsement
  - Hawaii — No endorsement

- **HONOLULU COUNTY**
  - Mayor — No endorsement
  - Council — No endorsement
  - Council — No endorsement

- **MAUI COUNTY**
  - Mayor — No endorsement
  - Council — No endorsement
  - Council — No endorsement

- **KUAU COUNTY**
  - Mayor — No endorsement
  - Council — No endorsement
  - Council — No endorsement

- **OFFICE OF HAWAIIAN AFFAIRS**
  - Hawaii — No endorsement
  - Hawaii — No endorsement

- **BOARD OF EDUCATION**
  - Hawaii — No endorsement
  - Hawaii — No endorsement

- **HONOLULU COUNTY**
  - Mayor — No endorsement
  - Council — No endorsement
  - Council — No endorsement

- **MAUI COUNTY**
  - Mayor — No endorsement
  - Council — No endorsement
  - Council — No endorsement

- **KUAU COUNTY**
  - Mayor — No endorsement
  - Council — No endorsement
  - Council — No endorsement

- **OFFICE OF HAWAIIAN AFFAIRS**
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  - Hawaii — No endorsement

- **BOARD OF EDUCATION**
  - Hawaii — No endorsement
  - Hawaii — No endorsement

- **HONOLULU COUNTY**
  - Mayor — No endorsement
  - Council — No endorsement
  - Council — No endorsement

- **MAUI COUNTY**
  - Mayor — No endorsement
  - Council — No endorsement
  - Council — No endorsement

- **KUAU COUNTY**
  - Mayor — No endorsement
  - Council — No endorsement
  - Council — No endorsement

- **OFFICE OF HAWAIIAN AFFAIRS**
  - Hawaii — No endorsement
  - Hawaii — No endorsement

- **BOARD OF EDUCATION**
  - Hawaii — No endorsement
  - Hawaii — No endorsement
Association of Hawaiian Civic Clubs Declines Picks for OHA

The Association of Hawaiian Civic Clubs has decided against endorsing any of the candidates running for the newly created nine-member board of trustees of the Office of Hawaiian Affairs.

Here are the general election candidates endorsed by the association, which is a statewide organization:

Incumbents are denoted by (•).

U.S. SENATE
•Daniel K. Inouye (D)

U.S. HOUSE
•Cecil Heftel (D) and •Daniel Akaka (D)

STATE SENATE
1st Dist. (Hawaii) — •Dante Carpenter

2nd Dist. (Maui) — •Mamoru Yamasaki (D), four-year term.
3rd Dist. (East Maui) — •Chris Crozier (D)
4th Dist. (Maui) — •Norman Mizuguchi (D) and •Patsy Young (D)
5th Dist. (Waianae-Ewa Beach) — •James Akia (D) and •Henry Peters (D)
6th Dist. (Waianae-Waipahu) — •Whitney Anderson (R)
7th Dist. (Kalihi-Kapahulu) — •Ken Kiyabu (D)
8th Dist. (Kaimuki-Kapahulu) — •Kinau Kamali'i (R)
9th Dist. (St. Louis-Maunalani Heights) — •Ted Moriga (D) and •Calvin Say (D)
10th Dist. (Kaimuki-Kapahulu) — •Ken Kiyabu (D)
11th Dist. (Ala Moana-Waikiki) — •Kinau Kamali'i (R)
12th Dist. (Kakaako-Punchbowl) — •Richard Kawakami (D)
13th Dist. (Kakaako-Punchbowl) — •Henry Peters (D)
14th Dist. (Kakaako-Punchbowl) — •Russell Blair (D)
15th Dist. (Kalihi-Ka-Salt Lake) — •John Waihee (D)
16th Dist. (Aiea-Moanalua) — •Tom Oka-mura (D)
17th Dist. (Pearl Ridge-Pearl City) — •Eloise Tungpalan (D)
18th Dist. (Ewa-Waipahu) — •Daniel Kihano (D) and •Mitsuo Shito (D)
19th Dist. (Waianae-Ewa Beach) — •James Akia (D) and •Henry Peters (D)
20th Dist. (Aiea-Moanalua) — •Whitney Anderson (R)
The Political Action Committee of the United Public Workers is endorsing Eileen Anderson, Honolulu Democratic mayoral candidate, but is not endorsing mayoral candidates on Kauai and the Big Island.

The general election candidates endorsed by the UPW are denoted by (D):
The Hotel, Restaurant Employees and Bartenders Union, Local 5, AFL-CIO, is standing by its earlier endorsement of Charles F. Marsland for city prosecutor and remaining neutral in the Honolulu mayoral race in the general election.

After polling its membership before the primary election on those two contests, the 10,000-member union found that the members favored Marsland, a Republican, for prosecutor and the re-election of Mayor Frank Fasi, a Democrat. Marsland, won the Republican nomination for prosecutor, but Fasi lost in the mayoral primary race.

The union has again thrown its support to Marsland in the Nov. 4 general election.

Frances McCallum, Local 5 president, said endorsements for re-election of President Carter and Vice President Mondale, Sen. Daniel K. Inouye and Reps. Cecil Heftel and Daniel K. Akaka, all Democrats, follow recommendations of international headquarters of the union.

Local 5 also has not made any endorsements in some of other races for the general election.

Here are the general election candidates endorsed by Local 5:

**U.S. PRESIDENT**
- Walter Mondale (D)
- Jimmy Carter (D)

**VICE PRESIDENT**
- Daniel K. Inouye (D)

**U.S. SENATE**
- Daniel K. Inouye (D)
- Daniel Akaka (D)

**U.S. HOUSE**
- Cecil Heflet (D) and Daniel Akaka (D)
- Norman Mizuguchi (D) and Patsy Young (D)
- Clifford Uwahine (D) and Ann Kobayashi (R)

**GENERAL ’80 Election**

(Incumbents are denoted by *)

**STATE HOUSE**
- 4th Dist. (South Kohala-South Kona) — Minoru Inaba (D)
- 6th Dist. (West Maui-Molokai-Lanai) — Herbert Honda (D) and Anthony Takikawa (D)
- 7th Dist. (Hawaii Kai-Aina Haina) — Robert Dao (D) and Donna Ikeda (R)
- 8th Dist. (Diamond Head-Aina Haina) — Fred Rohlfing (R) and Barbara C. Marumoto
- 9th Dist. (St. Louis Maunalani Heights) — Ted Morina (D) and Calvin Say (R)
- 10th Dist. (Kaimuki-Kapahulu) — Ken Kiyabu (D) and Bertrand Kobayashi
- 11th Dist. (Ali Moana-Waikiki) — Kinau Boyd Kamali'i (R)
- 12th Dist. (McCune-Moolihana) — Dave Hagiwara (D) and Marx Hirotsu (D)
- 13th Dist. (Makiki-Manoa) — Carol Fukunaga (D) and Brian Taniguchi (D)
- 14th Dist. (Kakaako-Punchbowl) — Russel Blair (D) and Kate Stanley (D)
- 15th Dist. (Pauoa-Alewa Heights) — Byron Baker (D) and Richard "Ike" Sutton (R)
- 16th Dist. (Kalili Valley-Kamehameha Heights) — Ted Yap (R)
- 17th Dist. (Kailikai Valley Kamehameha Heights) — Gene Alano (D) and John Waihee (R)
- 18th Dist. (Aiea-Manoa) — Tom Nakamura (D) and Connie Chun (D)
- 19th Dist. (Pearl Ridge-Pearl City) — Clarice Hashimoto (D) and Eloise Tun

**HAWAII COUNTY**
- Mayor — Robert M. Coats (R)
- Council — Howard Kihune (D), Rick Medina (D), Lee Liu (D), Toshio Ansatani (R), Robert Nakasone (D) and Abe Aiona (D)

**KAAUAI COUNTY**
- Mayor — Charles F. Marsland (R)
- Council — Howard, Kihune (D), Rick Medina (D), Lee Liu (D), Toshio Ansatani (R), Robert Nakasone (D) and Abe Aiona (D)

**HONOLULU COUNTY**
- Prosecutor — Charles F. Marsland (R)
- Council — Stephen Yamashiro (D), Howard Kihune (D), Rick Medina (D), Lee Liu (D), Toshio Ansatani (R), Robert Nakasone (D) and Abe Aiona (D)

**MAUI COUNTY**
- Mayor —мерсedez Marshall
- Council — Howard Kihune (D), Rick Medina (D), Lee Liu (D), Toshio Ansatani (R), Robert Nakasone (D) and Abe Aiona (D)

**KAUAI COUNTY**
- Mayor — Charles F. Marsland (R)
- Council — Howard, Kihune (D), Rick Medina (D), Lee Liu (D), Toshio Ansatani (R), Robert Nakasone (D) and Abe Aiona (D)

**KAAUAI COUNTY**
- Mayor — Charles F. Marsland (R)
- Council — Howard, Kihune (D), Rick Medina (D), Lee Liu (D), Toshio Ansatani (R), Robert Nakasone (D) and Abe Aiona (D)

**HONOLULU COUNTY**
- Prosecutor — Charles F. Marsland (R)
- Council — Stephen Yamashiro (D), Howard Kihune (D), Rick Medina (D), Lee Liu (D), Toshio Ansatani (R), Robert Nakasone (D) and Abe Aiona (D)

**KAUAI COUNTY**
- Mayor — Charles F. Marsland (R)
- Council — Howard, Kihune (D), Rick Medina (D), Lee Liu (D), Toshio Ansatani (R), Robert Nakasone (D) and Abe Aiona (D)

**HONOLULU COUNTY**
- Prosecutor — Charles F. Marsland (R)
- Council — Stephen Yamashiro (D), Howard Kihune (D), Rick Medina (D), Lee Liu (D), Toshio Ansatani (R), Robert Nakasone (D) and Abe Aiona (D)
**HFT Refuses to Endorse Sen. Wong**

The Hawaii Federation of Teachers has endorsed Democrat Eileen Anderson, former state budget director, for mayor of Honolulu in the Nov. 4 general election.

The union, however, again refused to endorse Senate President Richard S. Ho, Wong, D-5th Dist (West Honolulu), even though he and Rep. Milton Holt, who is now running for the Senate, are unopposed in the general election. Holt was endorsed by the HFT.

HFT's other general election endorsements are noted by a *):

**U.S. SENATE**
- Daniel K. Inouye (D)

**U.S. HOUSE**
- Cecil Heftel (D)
- Daniel Akaka (D)

**STATE SENATE**
1st District (Hawaii)—Kats Yamada (D)
2nd District (Maui)—Gerald Machida (D), Mamoru Yamashita (D)
3rd District (Windward Oahu)—no endorsement
4th District (Leeward Oahu-North Shore)—Norman Mizuguchi (D), Patsy Young (R)
5th District (West Honolulu)—Milton Holt (D)
6th District (Manoa-Waialik)—Clifford Uwaine (D)
7th District (Kaimuki-Hawaii Kai)—Dennis O'Connor (D), W. Buddy Soares (R)
8th District (East Maui)—Mark Andrews (D), Michael Sakamoto (D)
9th District (West Maui-Molokai-Lanai)—Herbert Honda (D)
10th District (Kaimuki-Rancho)—Robert Dods (D), Donna Ikeda (R)
11th District (Kaimuki-Hawaii Kai)—Kyoichi Nakamura (D), John Hoshina (D)
12th District (Ewa-Waipahu)—Koolihuna (D), Eileen Anderson (D), Joseph Ohno (D)
13th District (Wahiawa)—Gerald Heer (D), Elroy Fukunaga (D), Brian Mello (D)
14th District (Aiea)—Andrew Levin (D)
15th District (Pearl Ridge-Pearl City)—Byron Baker (D)
16th District (Kakaako—Punchbowl)—Ted Yap (R), Dennis Nakasato (D)
17th District (Kalihi—Kalihi Valley—Kaimalu Heights)—James Akai (D), John Wagner (D)
18th District (Kalihi-Moanalua)—Connie Chun (D)
19th District (Iolani—Kaimuki)—Clarsen Hashimoto (D), Eloise Tungpalan (D)
20th District (Ewa-Waipahu)—Daniel Kihano (D), Miltsu Shita (D)
21st District (Dillingham—Ewa Beach)—James Akai (D), Henry Peters (D)
22nd District (Waialua—Kaneohe)—Egoshi Nakamura (D), Gerald Hoshina (D)
23rd District (Hauula-Heeia)—Charles Toguchi (D)
24th District (Kaneohe-Maunawili)—Pake Evans (D)
25th District (Aiea—Enchanted Garden)—John Medeiras (R)
26th District (Ko Olina—Waianae)—Russell Nakamura (D)

**STATE HOUSE**
1st District (Kakaako—Punchbowl)—Byron Baker (D), Dennis Nakasato (D)
2nd District (South Honolulu)—Herbert Segawa (D), Richard Matsubara (D)
3rd District (North Kohala—Kohala)—Yoshio Takamine (D)
4th District (South Kohala—Kona)—Minoru Inaba (D)
5th District (East Maui)—Mark Andrews (D), Michael Sakamoto (D)
6th District (West Maui—Molokai—Lanai)—Herbert Honda (D)
7th District (Hawaii—Kala—Kailua)—Robert Dods (D), Donna Ikeda (R)
8th District (Manoa—Waialik)—Kyoichi Nakamura (D), John Hoshina (D)
9th District (St. Louis—Maunalani Heights)—Ted Morioka (D), Calvin Say (D)
10th District (Kaimuki—Kapahulu)—Ken Kiyasu (D), Bertrand Kobayashi (D)
11th District (Kalihi—Kalakaua)—no endorsement
12th District (Ewa—Waipahu)—Koolihuna (D), Eileen Anderson (D), Joseph Ohno (D)
13th District (Ewa—Waipahu)—Gerald Heer (D), Elroy Fukunaga (D), Brian Mello (D)
14th District (Aiea)—Andrew Levin (D)
15th District (Pearl Ridge—Pearl City)—Byron Baker (D)
16th District (Kakaako—Punchbowl)—Ted Yap (R), Dennis Nakasato (D)
17th District (Kalihi—Kalihi Valley—Kaimalu Heights)—James Akai (D), John Wagner (D)
18th District (Kalihi—Moanalua)—Connie Chun (D)
19th District (Iolani—Kaimuki)—Clarsen Hashimoto (D), Eloise Tungpalan (D)
20th District (Ewa—Waipahu)—Daniel Kihano (D), Miltsu Shita (D)
21st District (Dillingham—Ewa Beach)—James Akai (D), Henry Peters (D)
22nd District (Waialua—Kaneohe)—Egoshi Nakamura (D), Gerald Hoshina (D)
23rd District (Hauula—Heeia)—Charles Toguchi (D)
24th District (Kaneohe—Maunawili)—Pake Evans (D)
25th District (Aiea—Enchanted Garden)—John Medeiras (R)
26th District (Ko Olina—Waianae)—Russell Nakamura (D)
in House possible

By Douglas Woo
Advertiser Government Bureau

A potential coalition which could be a key to organizing the state House for the next two years has emerged with the success in Saturday's primary of 11 men and women who were delegates to the 1978 Constitutional Convention.

And central to that possibility is a 34-year-old attorney named John Waihee III, who could become a significant figure in the jostling for control of the House of Representatives.

The chances that new faces may turn up in the leadership of the Democratic-controlled state House are as strong as they have been in decades.

Since the landmark takeover by Democrats in 1954, the transition of control in the 51-member body has generally been smooth.

But a leadership vacuum was created recently by the departure of a number of House veterans, including House Speaker James Warkatski and long-time allies Jack Suwa and Charles Ushijima.

The ranks of legislators with long experience were also thinned when Richard Garcia, a 10-year incumbent, and Mitsuo Uechi, who served 14 years, retired this year. Both had, at one time, been considered candidates for speaker.

None of those now mentioned as possible successors to Wakatsuki has been in the Legislature longer than eight years. The favorite, Majority Leader Terry Takai, has served six years; the others — Kauai Rep. Denis Yamada and Vice Speaker Daniel Kihano — have served eight.

Now, a new dimension has been added to the leadership scramble with the outright election of Waihee and two of his strongest allies in the Con Con — Tom Okamura and Gerald Hagino. All led their Democratic primary tickets and all will breeze to office with no general election opposition.

How much of an impact will they — and other Con Con delegates who are elected — make?

"I think it will be substantial," said Rep. Carol Fukunaga, a former delegate. "A lot of the younger ones who are running have similar goals and views on the future of Hawaii."

She felt a Con Con coalition could have an impact on the House leadership, which may break tradition and give key positions to new members.

"If as many Con Con delegates as have a good chance now get in, I don't think that the leadership positions will be closed off to new faces," she said. Another former delegate, who asked not to be identified, disagreed.

"I think leadership will go with the more seasoned legislators than those who are brand new," she said.

"In the Con Con, it was a different kind of situation. We had a lot of political neophytes so one dominant character emerged. However, in the House, it will be very different."

That "one dominant character" from the Con Con is Waihee.

A practicing attorney who was in the University of Hawaii's first graduating law class of 1976, he was an influential figure in the 1978 Con Con.

Waihee saw the convention as one arena in the larger struggle for control of Hawaii between locals and those with ties to the Mainland.

His philosophy was reflected in his stand on issues. For example, he backed creation of the Office of Hawaiian Affairs and supported various environmental protection proposals.

He also opposed Initiative, a concept of citizen lawmaking which some contended would enhance the power of "outsiders."

Waihee's theory on localism was not accepted by all delegates and, in fact, rejected by some as racist. But he was acceptable to enough of the delegates to be selected majority leader at the convention.

"I think his strength is his straightforwardness — his willingness to listen and not give you any bull," said Hagino. "He listens to your opinion. He's a very open person and he's a very hard worker."

"He didn't speak much on the floor, but when he did, it was fairly well researched and he knew what he was talking about."

"John is a natural leader," said Fukunaga. "One of the striking things about him at the Con Con was how he was able to work with so many different groups."

Even those who disagreed with Waihee on issues acknowledged his potential as a leader.

"He has leadership ability," acknowledged Republican state Rep. Barbara Marmota, who was part of a so-called "independent" faction opposed to Waihee's majority.

"My politics were quite different (from his), but he was a person you could talk to."

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The Hawaii State Fire Fighters Association has endorsed Democrat Eileen Anderson, former state budget director, for mayor of Honolulu in the Nov. 4 general election.

The firefighters also endorsed state Senate President Richard S.H. Wong for one of the two seats in the 5th District (West Honolulu) but declined to support Democrat Milton Holt for the other. Neither one has opposition.

The firefighters also decided against endorsing either of the candidates running for Honolulu prosecuting attorney.

Candidates endorsed by the Fire Fighters Association (incumbents are denoted by *).

**STATE SENATE**

1st District (Hawaii) — Dante Carpenter (D) and Richard Hendersottt (D), special election; and *Masanori Yamasaki (D), four-year term.

2nd District (Maui) — *Gerald Machida (D), special election; and *Mamoru Yamasaki (D), four-year term.

3rd District (Windward Oahu) — *Mary George (R) and *Ralph Alifu (R).

4th District — NO ENDORSEMENT.

5th District (West Honolulu) — *Richard Wong (D).

6th District (Manoa-Walkitl) — OPEN.

**HONOLULU COUNTY**

MAYOR — Eileen Anderson (D) and *Calvin Say (D).

PROSECUTOR — NO ENDORSEMENT.

**HAWAII COUNTY**

MAYOR — *Herbert Matayoshi (D)

COUNCIL — *Tomo Fujii (D), *Tomiki Kobayashi (D), *Ken Kiyabu (D), *Bertrand Kobayashi (D), *Gerald Long (D), *Gerald Mahoe (R), *Richard Matsui (D), *Robert Nakasone (D) and *Abe Aiona (D).

**MAUI COUNTY**

COUNCIL — *Goro Hokama (D), *Rick Medina (D), *Toshio Anzai (R), *Elizabeth Lee Liu (D), *Frank De Lur III (D), *Robert Nakasone (D) and *Abe Aiona (D).

**KAUAI COUNTY**

MAYOR — *Eduardo Malapit (D)

COUNCIL — *Evelyn Bapiste (D), *Rodney Yadao (D), *Jerome Heg (D), *Robert Yotouda (D), and *Eddie Sarita (R).

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3rd District (Windward Oahu) — *Mary George (R) and *Ralph Alifu (R).

4th District — NO ENDORSEMENT.

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6th District (Manoa-Walkitl) — OPEN.

**HONOLULU COUNTY**

MAYOR — Eileen Anderson (D) and *Calvin Say (D).

PROSECUTOR — NO ENDORSEMENT.

**HAWAII COUNTY**

MAYOR — *Herbert Matayoshi (D)

COUNCIL — *Tomo Fujii (D), *Tomiki Kobayashi (D), *Ken Kiyabu (D), *Bertrand Kobayashi (D), *Gerald Long (D), *Gerald Mahoe (R), *Richard Matsui (D), *Robert Nakasone (D) and *Abe Aiona (D).

**MAUI COUNTY**

COUNCIL — *Goro Hokama (D), *Rick Medina (D), *Toshio Anzai (R), *Elizabeth Lee Liu (D), *Frank De Lur III (D), *Robert Nakasone (D) and *Abe Aiona (D).

**KAUAI COUNTY**

MAYOR — *Eduardo Malapit (D)

COUNCIL — *Evelyn Bapiste (D), *Rodney Yadao (D), *Jerome Heg (D), *Robert Yotouda (D), and *Eddie Sarita (R).*
In its strongest statement to date, a member Hawaii Government Employees Association yesterday called for the ouster of state Senator Richard S. T. Wong as Senate president.

Russell Okata, HGEA deputy director, told reporters that his union cannot back Wong, D-5th Dist., in his bid to retain the presidency.

"When we supported (Rep.) Milton Chin, it was because we supported a change in leadership," Okata said, "but because Wong has been hostile to labor, especially the health benefits requested by retired members of his union."

With the help of the HGEA, Holt garnered 61 percent of the votes, compared with Wong's 45 percent. Both Holt and Wong were elected outright since they faced no major election opponent on Nov. 4. Holt is chairman of the Senate Economic Development and Energy Committee.

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Budget Conferences Drag On; Reporters Barred from Sessions

By Gregg K. Kakesako
Star-Bulletin Writer

After four days of open conference meetings, House and Senate budget conferees retreated behind closed doors last night to settle their differences on the state's proposed $2.4 billion operating budget.

Lingering disagreements about the budget have forced legislative leaders to ask Gov. George Ariyoshi to extend the current 60-day session, at least until Monday. It was supposed to have ended tomorrow.

Yesterday’s private negotiation sessions were begun after Sen. Neil Abercrombie, D-6th Dist. (Manoa-Waikiki), attacked House conferees for backing the administration’s decision to relocate Honolulu Community College to Fort Ruger near Diamond Head.

Abercrombie’s statements resulted in a hold being placed on further open-door House-Senate budget conference sessions. House leaders also said the “cooling off” period was needed to give budget conferees time to rest, since many of them hadn’t had a full night’s sleep since Friday.


Earlier in the day, Kunimura, D-27th Dist. (Kauai-Ni’ihau), admitted to reporters that at times it may be more advantageous for budget conference sessions to be held behind locked doors, away from the television cameras and reporter’s notebooks.

With cameras and reporters looking on, budget conferees can’t always be frank as they want to be, he said. “We’re all actors, and that’s the biggest detriment to ending on time.”

Senate President Richard S.H. Wong and House Speaker Henry H. Peters yesterday both said the Legislature will need an extension at least until Monday to finish their work on the budget.

Other unresolved issues include a tax rebate or credit, pay raises for Gov. George Ariyoshi, his cabinet, University of Hawaii officials and the judiciary, and other related spending measures.

Wong, D-5th Dist. (Urban Oahu), yesterday said the cost of the one-day legislative extension will be minimal since all legislative staff employees will be dismissed tomorrow — the day the 1981 session was supposed to have ended.

Since statehood in 1959, the Legislature for various reasons has gone into overtime on 12 occasions.

AS FOR THE executive pay raise bill, Senate Human Resources Chairman Clifford Uwaine, D-6th Dist. (Manoa-Waikiki), yesterday told reporters that the Senate refuses to give into the House’s demands that the governor and his cabinet be granted 20 per cent salary increases.

Uwaine indicated that the highest figure the Senate may consider is a total 18 percent raise during the next two years.

In addition, Uwaine said the Senate wants the executive pay raise bill to include salary increases for University of Hawaii officials. Other Senate demands involve restructuring the university’s salary scale so that teaching deans receive more money than their administrative counterparts.

But Rep. Anthony Takitani, D-6th Dist. (West Maui-Molokai-Lanai), said Uwaine’s demands are totally unacceptable, since House rules pre-
vent them from inserting the pay raises for university officials in the governor's salary bill.

Takitani also said the House still maintains that the governor and his cabinet should receive a 20 percent salary boost.

BUT IT WAS disagreement about the state's operating and public works budgets that forced this year's extension. Despite marathon meetings throughout the Easter weekend, House and Senate budget conferees were unable to settle their differences on numerous spending items, including the location of the University law school, the site of Oahu's general aviation airport, and a new Honolulu Community College at Fort Ruger.

Both the House and Senate have appropriated $5 million to begin the process of diverting small private airplanes away from the already crowded Honolulu Airport.

The Senate's choice is Wheeler Air Force Base near Schofield Barracks. The House wants to leave the site selection up to the governor, who has already endorsed the purchase of 200 acres of sugar cane land in Poamoho north of Wahiawa for the new airport.

Included in the Senate's version of the public works budget is $5 million to construct general aviation facilities, including a new runway, at Wheeler. The Pentagon last month, however, rejected the shared used of any of its military airfields.

Budget conferees still have to decide whether the University of Hawaii will be granted an additional $6.1 million to cover the cost overruns which will more than double the price of the law school on a multi-story parking lot on the Manoa campus.
Governor Urges Legislature to Amend State Law on Rape

By Grace K. Katoeda

Gov. George Ariyoshi yesterday asked the Legislature to amend Hawaii's rape statute to place the emphasis on the crime rather than on whether the victim can prove that she resisted her attacker.

Ariyoshi's recommendations, contained in a three-page letter sent to House Speaker Henry Peters and Senate President Richard S. Wong, are nearly identical to a bill endorsed by the Senate Judiciary Committee and the Hawaii Crime Commission.

The thrust of the administration's proposal is to remove resistance by the victim as something that has to be proved by the prosecution, in order to gain a conviction.

Meanwhile, the Senate Judiciary Committee was to hold a hearing in the State Capitol basement auditorium this afternoon on proposed changes to Hawaii's rape law. Nearly 50 persons signed up to offer testimony.

The rape amendments — drafted by the governor, legislators and other members of the community — were proposed in the wake of the controversial Nanakuli rape case.

Eighteen elected female officials, including Lt. Gov. Jean King and Mayor Eileen Anderson, held a news conference this morning calling for a crime, restrained approach to the problem.

They indicated that they didn't expect today's Senate Judiciary Committee hearing to resolve the issue, and both King and Rep. Marie Hiro, D-12th Dist., (McCully-Lower Makiki), cautioned against piecemeal changes to Hawaii's rape laws, noting that community attitudes toward rape also must change.

Taking the strongest stand at the press conference was Sen. Patricia Saiki, R-7th Dist. (Kaimuki-Hawaii Kai), who said that "justice wasn't done in the Nanakuli rape case." Saiki said: "There is too much gamesmanship being played in the courtroom by Island judges and attorneys."

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The rape measure — proposed by Ariyoshi, Carpenter and the Hawaii Crime Commission — was drafted in the wake of the controversial Nanakuli rape case.
Crime Commission — would amend the definition of "forcible compulsion" to mean the use or attempted use of one or more of the following to overcome a person:

- Physical force.
- A dangerous instrument.
- A threat, expressed or implied, that places a person in fear of bodily injury to herself or another person, or in fear that she or another person will be kidnapped.
- The presence of one or more other persons.

UNDER CURRENT law "forcible compulsion" — the major element of the state's rape laws — now is defined as "physical force that overcomes resistance; or a threat, expressed or implied, that places a person in fear of death or bodily injury to himself or another person; or in fear that he or another person will be kidnapped."

At an impromptu news conference yesterday Ariyoshi acknowledged that his letter was prompted by the massive show of public protest that followed the acquittal of four Nanakuli youths earlier this month of the alleged gang rape of a woman from Finland.

He cautioned against using the jury's decision to wrongfully single out a segment of the community as the target of vigilante action as the governor said has been proposed by a local radio station. The governor said he did not identify the radio station.

"I FEEL that it's very important that we do not get swayed by this mood," the governor said.

Ariyoshi said people should "maintain their cool" and not wrongfully focus their frustration on Nanakuli, but on the problem itself.

"There's good and bad people in every community," Ariyoshi added.

In his letter to House Speaker Peters, D-21st Dist. (Wai'anae-Ewa Beach), and Senate President Wong, D-5th Dist. (Urban Oahu), the governor said there is an urgent need to improve the laws on sexual assault, particularly when more than one offender is involved.

He added: "The crime of rape should be deemed complete when a woman's body has been abused against her wishes."

Changes made last year alleviated the problem (of forcible compulsion) somewhat," the governor said, "but those changes still left the major burden of proof of resistance on the victim."

ARIYOSHI ARGUED that "it is unreasonable to believe that every woman will be able to overcome the fear of being hurt, maimed or injured in order to be able to physically defend herself during a sexual assault."

"It is particularly illogical" when more than one assailant is involved, he said. "In fact, women are counseled to concentrate on survival, and not to resist if resistance threatens her survival."

The governor pointed out that in the cases of assault and battery, the victim establishes "the essential elements of the crime by stating that there was abuse and that the abuse occurred without her permission. It seems that victims of sexual assault should at least be entitled to that same right."
In a floor speech, Cayetano, who lost his Ways and Means Committee chairmanship in the power struggle, responded to criticisms directed against the coalition by Democratic Party Chairman James Kumagai last week.

Kumagai described the Anderson-Wong coalition as "another one of the great Republican victories" and questioned both the stability and merit of the bipartisan alliance.

Cayetano said Kumagai apparently doesn't "understand or appreciate what is happening to the Democratic Party."

"He does not see that this coalition is yet one more symptom that the Democratic Party is sick and strong measures must be taken to revive it."

Cayetano argued that "the Democratic Party was born out of factionalism."

There are three courses of action open to Kumagai as party chairman, he said.

"First, he can pursue the status quo and do nothing. In that case the party will continue to deteriorate as it is now doing," he said.

HE SAID Kumagai also can take disciplinary action against the coalition Democrats for "our alleged breach of party loyalty."

But Cayetano wondered whether all 17 Democrats in the Senate then should be disciplined because the 10 pro-Wong Democrats and the seven O'Connor Democrats all participated in negotiations with Republicans for a coalition.

Cayetano said he favors a third course of action in which Kumagai would take steps "to bring all of the factions of the Democratic Party together."

But this can only be done, Cayetano said, if Gov. George Ariyoshi, as titular head of the party, "takes charge of the situation and if all concerned recognize that the greatness of the party lies in its diversity."

Sen. Clifford Uwaine, another coalition Democrat, told minority Democrats: "When you go for the brass ring and then fall on your face, don't be a cry baby."

Sen. Milton Holt, a minority Democrat, said that if the Democratic Party is sick, then forming a coalition as a remedy is "like telling me to drink beer to get rid of a hangover."

To that comment, Big Island Sen. Dante Carpenter, a coalition Democrat, said: "I've tried that and it works."
Senate "minority Democrats," led by Big Island Sen. John T. Ushijima, failed to get a larger share of committee seats, larger staffs and a separate caucus room at yesterday's spirited Senate floor session.

And before the session began, the seven minority Democrats advised Senate President Richard S.H. Wong of their new leadership.

Their letter to Wong said Ushijima, 1st Dist. (Big Island), was elected their "minority" leader; Sen. Dennis O'Connor, 7th Dist. (Kaimuki-Hawaii Kai), their spokesman during floor debates; and Charles Campbell, 5th Dist. (Urban Oahu), policy leader.

The seven Democrats were left out of the organizational setup when Wong, D-5th Dist. (Urban Oahu), formed the Senate's first Democrat-Republican coalition with Sen. D.G. "Andy" Anderson. Democrat Wong needed the votes of Anderson's eight-member GOP caucus to retain his Senate presidency.

IN RETURN, Republicans won the chairmanship of six of the 16 committees. They also got three of the six seats on the Senate policy or steering committee.

Co-chairman of the bipartisan steering committee are Senate Republican Leader Wadsworth Yee and Leeward Oahu Democrat Benjamin Cayetano.

Other Republicans on the committee are W. Buddy Sorres and Richard Henderson; other Democratic committee members are Duke Kawasaki and Steve Cobb.

Before yesterday's Senate session Wong told the Star-Bulletin that the new majority of Republicans and Democrats hope to introduce their bipartisan package of bills next week.

During the floor session Wong refused to recognize O'Connor's group as a "minority" party.

He told O'Connor that as far as he is concerned there are only two factions in the 25-member Senate—Democrats who number 17 and Republicans who hold the remaining eight seats.

Wong said O'Connor and his Democratic followers always will be welcome to use the legal and research personnel hired by the Democratic majority's office.

"As far as I am concerned you are all Democrats," Wong said.

BUT O'CONNOR charged that the bipartisan alliance violated the temporary rules of the Senate because it failed to give minority Democrats a proportionate number of seats on all of the 16 Senate committees.

The seven minority Democrats are allowed only a single seat each on all Senate committees. O'Connor said Republicans as minority party members in the past were given better treatment.

O'CONNOR also said minority Democrats want to sit together on the Senate floor—a privilege which he said was always granted to Senate Republicans.

After the coalition was formed on Friday the seating arrangement in the Senate was changed to separate Democratic members of the O'Connor-Ushijima bloc.

In responding to O'Connor's...
Governor Urges Legislature to Amend Isle Law on Rape

By Gregg K. Kokesako
Star-Bulletin Writer

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Ariyoshi's recommendations, contained in a three-page letter sent to House Speaker Henry Peters and Senate President Richard S.H. Wong, are nearly identical to a bill endorsed by the Senate Judiciary Chairman Dante Carpenter and the Hawaii Crime Commission.

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Saiki said: "There is too much gamesmanship being played in the courtroom by Island judges and attorneys."

The rape measure — proposed by Ariyoshi, Carpenter and the Hawaii Committee on Commerce, Science and Transportation (Hayden, N.C.J.) — was introduced Monday.
Change in Rape Law

At an impromptu news conference yesterday Ariyoshi acknowledged that his letter was prompted by the massive show of public protest that followed the acquittal four Nanakuli youths earlier this month of the alleged gang rape of a woman from Finland.

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Speaker Explains His Choice

By Helen Alten
Star-Bulletin Writer

State House Speaker Henry Peters, an employee of Dura Constructors Inc., says he selected the board chairman of that company for the state Judicial Selection Commission because he was the “best person” for the job out of about 80 potential candidates.

Peters named Thomas T. Enomoto, 33, brother of Dennis Enomoto, president of Dura Constructors, to replace Leonard Hoshijo on the commission. Hoshijo had been appointed by former House Speaker James Wakatki.

Enomoto is the only newcomer on the nine-member commission, which includes three appointees by the governor, two by the state Supreme Court chief justice, two by the bar association, and one each by the House speaker and Senate president.

Peters, D-21st Dist. (Waianae-Ewa Beach), has worked for Dura Constructors for about 1½ years in industrial relations, focusing on safety programs.

He said Enomoto did not seek the judicial commission vacancy and didn’t want it because of his business responsibilities, but he persuaded him to accept the appointment because of his capabilities and views on the judicial system.

“He has credibility,” Peters said. “He is a very honest and trustworthy individual. He has an innate ability to get along with people. And he is a self-made businessman — a very successful one.”

“I DECIDED TO go with a businessman because of what it takes in these times to have any company survive and do well,” Peters said.

He said Enomoto also “shares the same philosophy that I do in the selection of judges. ...What I try to look at is inside here,” he said, pointing to his heart.

He said he looks for “whether he (a judge) has compassion, a feeling for people and will not succumb to pressures of the media or of the general public in making his decisions in order to ensure the justice shall prevail in his courtroom.”

“Having knowledge of the law is one thing,” Peters said. “Being able to carry out the responsibilities of a judge in a fair and compassionate way is another.”

Peters said many names were recommended to him for the commission opening, and some persons asked for consideration. But he said, “I am not going to appoint people I don’t know because I have a responsibility to maintain the integrity of this office.”

Although some persons might question his selection of a business associate, Peters said questions could be raised about anyone he might appoint because he has personal and professional relationships with many persons.

“BUT I DON’T make my decisions on that basis,” he said, adding: “I feel very, very comfortable with Mr. Enomoto’s selection.”

Enomoto said he has only 8 percent interest in Dura Constructors.

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Speaker Tells of Choice for Judicial Panel

Continued from Page One

and is not directly involved in the operations. He said he has a partnership, Industrial Associates, and is a director for a number of other companies, including Glass Contracting Co.

He confirmed that Peters “had to twist my arm a little bit” to accept the commission appointment. “He kept telling me how important it is — that the judicial system is going to be placed in a hot seat in the coming years.”

“After talking about my feelings of how justice should be dispensed, and the kind of people who should be involved, he felt it was in line with what he thinks about the judicial system,” Enomoto said.

“I guess I kind of hung him up a little bit trying to find out what the job actually entails,” he said. But he said it was difficult to research because of the constitutional mandate that commission meetings be confidential.

Enomoto said he has never served before on any government board or commission, “so Henry said I’ve got to do my part. ...I’m one of the persons who gripe but never did anything about it.”
By Helen Aftonn
Star-Bulletin Writer

The state House approved about 60 Senate bills yesterday, including several weighty measures which Finance Chairman Tony Kunimura described as "vehicles" for further work by House-Senate conference committees.

"A vehicle is one thing — a runaway truck . . . is another," said Republican House Leader Kinau Boyd Kamalii, protesting the passage of several bills with "many, many flaws."

Kunimura said the Finance Committee had only three days to review many of the Senate bills before the Friday deadline to send them to the House floor, a delay attributed to House Speaker Henry Peter's inaction.

Kunimura acknowledged that some of them "are not perfect — far from it." But rather than let them die, he said the committee moved them out anyway so they can be cleaned up by House-Senate conferences.

A NUMBER OF House legislators and staff members grumbled in the past week that they were squeezed for time to hold hearings and study the Senate bills after they crossed over to the House.

They attributed this to a delay by the House speaker in assigning the bills to committees.

Sen. President Richard S.H. Wong, D-5th Dist. (Urban Oahu), also appeared nervous about the late referral of Senate bills to House committees, showing up several times during House sessions to inquire about the status of the bills.

Peter D-21st Dist. (Waianae-Ewa Beach), told the Star-Bulletin yesterday he felt ample time had been allowed for House review of the measures.

He said he wouldn't allow any bill to leave the House if he thought it was defective.

THE KEY BILLS questioned on the House floor were two far-reaching measures amended in the House to establish state guidelines for protection of agricultural lands and to broaden the state land agency's powers to control fish and game, forest and conservation resources.

Kunimura said the bills can be improved by House-Senate conferences.

But Kamalii, 11th Dist. (Ala Moana-Waikiki), asked what assurance the House has that the Senate will disagree with the amendments and send the bills into conference.

Rep. Virginia Isbell, R-4th Dist. (South Kohala-South Kona), voted for both the agriculture and natural resources bills but said she was disturbed by their contents.

SHE QUESTIONED several features of the agriculture bill, which the House overhauled to include portions of two House bills that died in the Senate, saying: "The subject is too important to be treated loosely."

She also criticized the other bill which gives sweeping powers to the state Department of Land and Natural Resources to regulate natural resources up to the Northwestern Hawaiian Islands.

Isbell noted that it will mandate the DLNR to destroy predators considered harmful to wildlife and game, including dogs, which she said could be interpreted to mean killing pet dogs "that kill a bird in a driveway."

Kunimura said the bill takes "an extreme opposite position" from legislative policies and laws in the past by repealing existing laws and letting the DLNR take a lead role in the conservation area.

THE HOUSE ALSO approved a Senate bill yesterday to mandate insurance policies to include coverage for six visits to the doctor's office for "well babies" from birth up to six years.

The cost is estimated at 25 cents or less per month for each insurance subscriber.

Rep. Richard Kawakami, D-27th Dist. (Kauai-Niihau), said he favors the intent of the bill but fears that it might "open up the gates" for other special health coverage which would escalate costs.


IN OTHER ACTION yesterday, the House approved Senate bills to give taxpayers one-time tax credits, expand the general excise tax credits, adopt the zero-bracket method of computing itemized income tax deductions and provide other tax breaks for residents and commercial fishermen.

All of those bills are expected to go into House-Senate conferences because of House amendments.

Other Senate bills approved would:

Require persons free on bail or on their own recognizance to appear in court at the time designated or be subject to court penalties. This is expected to reduce court costs and result in "less contemptuous conduct on the part of errant defendants," the committee report said.

Reduce cattle rustling — an increasing state problem — by making it a first-degree theft for anyone to possess a live animal if found illegally in a fenced or enclosed area or any other location.

Prohibit persons arrested for negligent homicide from taking a blood or breath test for alcoholic content. This is intended to prevent persons from escaping prosecution for more serious offenses by pleading guilty to a drunk driving charge.

Allow the state Board of Education to release students from school to observe religious holy days after a written request by parents. The students would be counted as attending school.

Require the Board of Education to draft rules for reporting incidents of violence and vandalism in the schools.
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There was no visible movement yesterday on organizing the state House and Senate, with leadership of the key money committees apparently the major stumbling block.

The House Democrats already have selected Waianae Rep. Henry Peters as speaker and Kauai Rep. Dennis Yamada as majority leader.

Both Peters and Yamada reportedly have preferences from the long list of Democrats vying for the chair of the House Finance Committee.

That key appointment will have to be settled by negotiation between the two leaders and other Democrats before the rest of the House committee assignments can be formalized.

In the Senate, last term's president, Richard Wong, predicted the money committee also will be the key to organizing that 25-member body.

No formal meetings of the 17-member Senate Democratic caucus have been called although informal talks have been almost-continuous since the election.

Organization of the Senate will take some time, Wong predicted, with the focus being on who will chair the Ways and Means Committee — the Senate counterpart to House Finance.

Wong, who put together a shaky coalition two years ago to become Senate president, predicted he would be selected by his fellow Democrats to serve another term as presiding officer.

He speculated that the House leadership was waiting to see who would head the Senate Ways and Means Committee before selecting its candidate for the House Finance Committee chair.

Wong said, that the chairmanship of both money committees would fall into the hands of Neighbor Island legislators.

Although Ways and Means Chairman Benjamin Cayetano wants to hold onto his post, Kauai Sen. George Toyofuku is making a strong bid for that position. Toyofuku has the support of Hawaii Government Employees Association executive director David Trask and would be expected to be friendlier toward union measures.

Wong and Trask traded barbs during the campaign, with Trask saying Wong had to be ousted because the Senate president allegedly failed to support union bills; Wong accused Trask of attempting to control the Senate with his union endorsements.

On Monday, Wong said some senators felt that if Toyofuku was named Ways and Means chairman, it would be victory for Trask even if Wong retains the presidency. In addition, Wong said, if Toyofuku moves into the Ways and Means slot, Neighbor Island candidates for the House Finance Committee chairmanship would likely drop to the bottom of the list.
In Legislative Organizing Battle.

**Senate GOP May Put Up Own Slate**

By Gregg K. Kakesako

Star-Bulletin Writer

Senate Republican leaders yesterday threatened to put up their own president and make committee assignments if the divided Democratic majority continues to drag its feet in organizing the Senate.

Senate Republican Leader Wadsworth Yee said that "If the Democrats can't resolve their problems, then we will take the initiative and find the 13 votes necessary to elect a Senate president." Yee, R-6th Dist. (Manoa-Waikiki), said Republicans are willing to meet with any of the two or three Democratic factions to establish a bipartisan coalition.

Selecting a Senate president, the post now held by Democrat Richard S.H. Wong, and the naming of committee chairmen require a majority vote of the 25-member Senate.

So far, none of the Democratic factions has the necessary 13 votes. Ironically, the eight-member GOP bloc is faced with almost the same situation it was in two years ago when the Democrats were divided and unable to pick a leader for several months.

WONG, D-5th Dist. (West Honolulu), eventually was able to win the presidency by forging a fragile coalition among the warring Democratic factions.

But this year he will have a difficult time in retaining his leadership post because two of his Senate supporters were defeated in the past election.

At a breakfast session at the Tahitian Lanai yesterday, Yee, and GOP Sens. W. Buddy Soares and D.G. "Andy" Anderson conferred with Wong. They later met separately with leaders of the opposing Democratic factions—Sens. George Toyofuku, 8th District (Kauai); and Dennis O'Connor, 7th District (Kaimuki-Hawaii Kal).

O'Connor, now chairman of the Judiciary Committee, has expressed an interest in succeeding Wong as Senate president. In 1978, he held out until the last possible moment before throwing his support to Wong, giving him the 13th vote needed to organize the Senate.

Toyofuku, with the support of the Hawaii Government Employees Association, is making a bid to unseat Sen. Benjamin Cayetano, a Wong supporter, as Ways and Means Committee chairman. The Senate's GOP caucus also would like to see Cayetano removed as chairman of the crucial Senate money committee.

Control of the Ways and Means Committee is considered crucial because all significant pieces of legislation destined for Senate floor debate and action must first pass through the committee.

The major contenders appear to be Reps. Tony Kunimura, D-27th Dist. (Kauai-Niihau); Herbert Sagawa, D-2nd Dist. (South Hilo); Richard Kawakami, D-27th Dist. (Kauai-Niihau); Ken Kiyabu, D-10th Dist. (Kaimuki-Kapahulu); and Ted Moriooka, D-9th Dist. (St. Louis-Maunalani Heights).

The House Democrats also is the selection of a new Finance Committee chairman.

The major staunch bloc among the House Democrats also is the selection of a new Finance Committee chairman.

Meanwhile, House Democratic leaders, who face similar organizational problems, refuted Wong's statements that they would not pick their key committee leaders until the Senate has completed its organization.

The House Democrats have met only once—last Friday—when they chose Wai'anae Rep. Henry Peters as Speaker. Since then negotiations have been conducted behind closed doors at the State Capitol.
Cayetano offers to switch chairs

By Sandra S. Oshiro
Advertiser Government Bureau

Senate Ways and Means Chairman Benjamin Cayetano has offered to take himself out of the running for another term as head of the finance committee in favor of Sen. Mamoru Yamasaki of Maui.

Cayetano's offer was conditioned on his being named chairman of the Senate Judiciary Committee, with control over business regulations, or chairman of the Economic Development Committee.

Also part of the package was the condition that Cayetano's supporters in the Senate — particularly Higher Education Chairman Neil Abercrombie — would continue to hold onto substantial committee leaderships.

The offer was the latest development in recent days in an otherwise stalled Senate organization battle.

Organizational efforts in the House, meanwhile, have been put on hold for the moment, according to Speaker Henry Peters. The new House leadership has been attempting to choose a chairman for the Key Finance Committee, after which other committee slots are expected to fill into place.

Senate President Richard Wong, who pulled together a slim 13-vote coalition among Democrats to organize the Senate in 1978, is being challenged in his leadership role along with the committee chairmen he had supported.

The focus has been on the Ways and Means Committee because it is the slot which is being sought actively by Sen. George Toyofuku of Kauai.

Toyofuku heads a bloc of Neighbor Island and Oahu senators — some with direct and indirect ties to the Hawaii Government Employees' Association, the union which is seeking Wong's ouster.

The 27,000-member government-employees union claims that Wong failed to support its labor measures in past sessions. HGEA worked this year to dump Wong supporters.

Partly through the union's effort, senators T.C. Yim and Anson Chong — both supporters of the Senate president — were defeated in recent election bids.

The Senate organizational battle has fractured the majority into at least three parts — with Wong, Cayetano, and Toyofuku presently unable to organize because they lack the 13 or more votes needed.

As a result, negotiations have been held among the Democratic groups while the eight-member Republican caucus waits impatiently for a break in the stalemate.

Cayetano said yesterday that his offer to step aside in favor of Yamasaki was made about a week ago in recognition of the fact that no one group has the votes to organize.

"Although I think I still command the greatest number of (supporters), I would be willing to relinquish Ways and Means to Mamoru Yamasaki," Cayetano said.

Yamasaki, a membership service director for ILWU Local 142 in Maui division, would not have any "built-in conflict" heading the Ways and Means Committee as would someone with ties to a public workers' union, said Cayetano.

He said, "above all else," it was important that the Senate be kept independent of such interests.

Under Cayetano's scenario, Wong would retain the presidency and Cayetano would move on to a beefed-up Judiciary Committee or the Economic Development Committee.

Toyofuku, reached on Kauai and asked about his reaction to Cayetano's proposal, said he would not give up his own candidacy for the finance chair in favor of Yamasaki.

Toyofuku laments the interest which HGEA and ILWU have taken in the Senate organization, saying senators should work out the leadership positions among themselves. He said assumptions should not be made about his own relationship with HGEA, which has been characterized as "friendly."

"I think it's a matter of whether I can be fair to them (senators) and the community at large, whether I can be competent," he said.

He asserted, however, that as far as special interest ties are concerned, "I'm more independent than Yamasaki."

Toyofuku's selection as chairman of the finance committee is also said to be opposed by Akito "Blackie" Fujikawa, business manager of the International Brotherhood of Electrical Workers, Local 1186.

Fujikawa has a running feud with Toyofuku over a mass-merchandising insurance measure which the Kauai senator has opposed.

Union officials said the bill, which got through the Senate this year but which was stopped in the House, would result in lower insurance rates for their members.

They claim that Toyofuku's opposition to the measure stems from his involvement in insurance sales as an officer of Hokihana Insurance Agency.

But opponents of the measure say the bill would not benefit workers and might remove incentives to maintaining safe working environments for employers.

In addition to senators linked with Wong, Cayetano and Toyofuku, another group is said to be "floating" — waiting to see the entire lineup before committing itself to one faction or another.
Dem faction, Senate GOP huddle

By Sandra S. Oshiro
Advertiser Staff Writer

A Democrat faction in the Senate led by Kauai Sen. George Toyofuku met with the Republican caucus yesterday afternoon in an attempt to create a bipartisan coalition.

Toyofuku declined to comment on what was discussed, saying the matter was "premature and sensitive" at this point.

Republican Minority Leader Wadsworth Yee said last night following the meeting that the eight-member GOP caucus was "standing firm in our offer to enter into a coalition with the Democrats so that we can proceed with the orderly business of organizing the Senate, so that we can take care of the concerns of the public."

Yee said an offer was made to Wong for a similar bipartisan arrangement, but that Toyofuku has been more receptive to the idea.

According to Yee, the Republicans initiated the meeting and are asking for equal consideration in the Senate organization. Specifically, he said, the caucus is interested in committee chairmanships which the minority has been denied for years in the Democrat-dominated Legislature.

"No leadership lineup was agreed to, Yee emphasized. But Toyofuku is seeking the Ways and Means chairmanship and Dennis O'Connor, also present at the meeting, has his eye on the presidency.

Also attending the meeting was Sen. Charles Campbell, a one-time Wong backer who has since thrown his support behind Toyofuku.

Wong's two-year tenure as president of the Senate is being challeng ed by those upset at him and his committee chairman. His 13-vote "majority of the majority" of 1978 has been whittled down with the defeat of two supporters in the past election, T.C. Yim and Anson Chong.

The focus of the Senate battle has been on the Ways and Means Committee slot, which Toyofuku wants but which has been occupied by Sen. Benjamin Cayetano.

Cayetano, who had not been happy himself with Wong's leadership, said earlier this month he would be willing to step down from the finance post in favor of Maui Sen. Mamoru Yamasaki but not Toyofuku.

Senators supporting Wong and Cayetano say that if Toyofuku becomes Ways and Means chairman, it would signal a victory for union leader David Trask.

Trask, head of the 27,000-member Hawaii Government Employees Union, said he wants Wong ousted because he failed to support labor measures. Trask said he would like to see Toyofuku in the finance slot.

HGEA worked in the last election to defeat senators friendly to Wong, prompting a charge by Wong that Trask was out to control the Senate.

One Wong backer expressed doubt yesterday that the Republicans could pull off a coalition because two of their number, Ralph Alifiu and W. Buddy Soares, have been sympathetic to Wong in the past.

But Yee said adamantly, "We are eight strong. With the six, senators said to be committed to Toyofuku, a bipartisan coalition of 14 senators would make a majority in the 25-member Senate.

Actual organization, however, may take a while, he indicated.

"This is the first meeting. Other meetings will follow," Yee said.

Despite denial by Speaker-designate Henry Peters, some legislators say the House is waiting to see if Toyofuku is placed in the Ways and Means slot. If so, Kauai representatives vying for the House Finance Committee chairmanship may wind up at the end of a line queuing up for the post.

George Toyofuku
Sensitive matter
For whatever reason, the burden seems to be shifting here and I don't like it. Now it's all being laid at the Legislature. Laws always can be improved. I see nothing wrong with people suggesting changing the law, but will that bring justice? Peters asked.

As far as he is concerned, the law has worked, and simply changing it will not necessarily correct the problem. As he told the committee yesterday, the Legislature always can be in the wrong. "Now it's all being laid at the Legislature. Laws always can be improved. I see nothing wrong with people suggesting changing the law, but will that bring justice? Peters asked.

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House Speaker Henry Peters was reported in fair condition at Kaiser Hospital today with a broken leg, a broken right shoulder, chest and facial bruises and a possible neck injury suffered in a car accident Wednesday.

The accident occurred at about 9 a.m. when the car Peters was driving collided with a truck pulling a trailer on the H-1 freeway near Leeward Community College.

Police said today that Peters, D-21st Dist. (Waianae-Ewa Beach) was not carrying a driver’s license and his car was not insured.

Under state law, a no-fault insurance card must be carried in all motor vehicles as proof of insurance coverage. A violation is subject to a mandatory fine of at least $100, and a judge may also suspend the driver’s license or impose a 30-day jail sentence, according to a state insurance official.

However, police said Peters will not be cited because of immunity granted by law to legislators during legislative sessions.

Specific information about the legislator’s accident — such as the name of the truck driver and direction and speed the vehicles were traveling — was not available because the police report had been sent to the records division.

A records official said today that all reports in that section are not public.

Aides in Peters’ State Capitol office denied reports early yesterday that he had been involved in a car accident. They said he told them he had been absent from House sessions for two days because of “a family emergency.”

Later in the day they said they learned that he had been in an accident, but that it only involved his car and occurred after a tire blowout.

They said he had broken an ankle and had a cut on his head but was home resting and expected to be back at the Legislature within a few days.

Traffic accident investigators said they kept no log of the accident because no one was killed or critically injured. An investigator confirmed, however, that Peters was not carrying his driver’s license and that car was not insured.

A memorandum sent to different police divisions on Jan. 21 reminded officers that legislators could not be arrested, except for felonies or a breach of the peace, “during their attendance at the sessions of their respective houses, and going to and from the same.”

House Speaker Henry Peters was reported in stable condition at Kaiser Hospital last night following a two-car accident Wednesday on the H-1 highway near Leeward Community College.

The car Peters was driving collided with a truck pulling a trailer at about 9 a.m., according to police. The driver of the truck was not injured.

House Majority Leader Dennis Yamada said Wednesday that Peters suffered a broken ankle and a cut to his forehead.

Peters was taken to Kaiser Hospital by ambulance where he was said to be under observation.

Vice Speaker Daniel Kihano said Peters asked to be released shortly after being treated at the hospital, but because he complained of chest pain suffered in the impact against the steering wheel, he was persuaded to remain in the hospital.

Police said Peters gave no statement at the scene of the accident, saying he could not recall what had taken place.

In Peters’ absence, Kihano has been conducting business in the sessions of the full House.
State House Speaker Henry Peters yesterday warned against overreaction to the recent Nanakuli rape acquittals and suggested some reaction and criticism has been "irresponsible" or misplaced.

Peters, a Democrat who represents the Waianae Coast, said the problem may not be with the law itself. It could be with the way the case was handled by the prosecution and the way it was reported by the media, he said.

"The law has been on the books for years and people have been convicted," he said.

"It seems to me the law has worked," Peters said. "If there's been injustice, it may be somebody making a campaign promise or commitment not to plea bargain."

The media are also to blame, Peters contended, for not devoting enough attention to the facts of the case and the law under which it was tried.

"For whatever reason, the burden seems to be shifting here and I don't like it," Peters said. "Now it's all being laid at the Legislature. Laws always can be improved. I see nothing wrong with people suggesting changing the law, but will that bring justice?"

As far as he is concerned, the speaker said, the law has worked, and simply changing it will not necessarily correct the problem.

Meanwhile, state Rep. Eloise Tupalan and eight other women representatives have introduced a resolution calling for a study of Hawaii's rape laws so that changes—if needed—can be made by the Legislature in 1983.
Pay Governor More Than

By Gregg K. Kokesako
Star-Bulletin Writer

State House Speaker Henry Peters believes that Gov. George Ariyoshi should earn more than $60,000 a year because his office is given far more responsibility and authority than any other governor in the country.

Peters, in a Star-Bulletin interview yesterday, said the special citizens' committee on executive salaries didn't go far enough when it recently recommended that the governor's salary be increased from $50,000 to $60,000 this year.

However, Peters said he isn't ready at this time to say what the actual salary increase should be.

The committee also recommended pay raises for 84 state officials not covered by collective bargaining agreements.

Peters, D-21st Dist. (Waianae-Ewa Beach), agreed with the assessment made earlier this month by Senate President Richard S.H. Wong that "the governor should be the highest paid public official."

PETERS SAID the governor's pay should reflect "the immense responsibility and authority vested in the office," which he believes are far greater than those of other governors in the nation.

It isn't right for Mayor Eileen Anderson to consistently earn a larger salary than the governor, Peters said, just because her pay is dependent upon the amount negotiated by top-level civil servants covered by collective bargaining agreements.

"It's obvious that since all state and county collective bargaining units are expected to get pay raises this year," Peters said, "the mayor's salary in no time will surpass the $60,000 recommended as the salary for the governor."

Anderson now earns an annual salary of $55,908 while the governor's is set by law at $50,000 and can be changed only by legislative action.

The last time the Legislature granted pay raises to the governor, his cabinet and other state employees not covered by labor contracts was six years ago.

$60,000, House Speaker Says

"Hawaii's governor has far greater responsibilities than the mayor of Honolulu," Peters said, "but he earns far less. In fact, our governor has greater responsibilities than the chief executive of any other state and yet he still earns less."

Peters said he can't think of "anything more unfair" than the present state and county salary scales because top state officials earn less than the chief city administration officials.

HE SAID, however, that he doesn't want the Legislature to adopt a similar law to the 1977 City Charter provision which gives the mayor and her cabinet the automatic pay raises whenever city collective bargaining employees win an increase.

Peters also said he favors a tax rebate plan similar to the one proposed by Ariyoshi last year. A three-year-old constitutional amendment requires the state to return money to Island taxpayers whenever there is a large tax surplus for two consecutive years.

Last year the governor asked the Legislature to enact a $50 one-time only tax rebate. It passed the House, but died in the Senate.

Peters also said the Legislature should wait until it receives the recommendations of a newly formed tax review commission before it begins to rewrite any of Hawaii's tax laws.
The lights burned late at the Capitol last night as lawmakers struggled for a way out of their budget bill impasse. Gov. George Ariyoshi granted the Legislature an extension after last-minute questions arose about the constitutionality of legislative decision-making and a dispute over pay raises dragged on. All day yesterday, the formerly busy desks in the House Finance Committee room were empty (above) as legislators thought their budget work was done. But when the session reconvened at 9:30 p.m. it became evident that trouble was brewing, and the House chambers were lit up late into the night (left). In bottom photo, House Speaker Henry Peters discusses procedure with Minority Leader Kina'u Kamali'i. On the Senate side (below) Sens. Dennis O'Connor (left) and Milton Holt wait for the floor action to begin.

Continued over →
Gutsy Decision

After reading the reasons why State House Speaker Henry Peters chose Thomas Enomoto, chairman of the Board of Dura Constructors, Inc., for appointment to the state Judicial Selection Commission, I could understand his position.

I felt it took guts for him to make that decision because of the many narrow-minded people we have in this state.

At the moment, I'm not entirely sure whether I'm for his decision, but I'm not narrow-minded enough to criticize his decision as did your April 22 editorial.

Your editorial did not tell me anything I didn't already know.

As for your advice, I think you should keep it since I'm sure a man in the speaker's position deliberated long and hard before making such a gutsy decision, especially with a small mind like yours around.

But, of course, I could always be wrong.

Art Frank
a. The criminal trial of Frank Commendador, Jr., for armed robbery of the Aiea Branch, First Hawaiian Bank, completed late last night with the verdict of guilty as charged. I was elected as the jury foreman. The attorneys Rene Yuen and Janice Futa both did a thoroughly professional job, made necessary because the evidence was almost entirely circumstantial (Alvey).
NO RESPONSES

US SENATORS
- INOUYE, Dan
- BROWN, C.
- WEISMAN, L.

US HOUSE
- HEFTEL, Cec
- RAMOLELE, J.
- AKAKA, D.
- CARPENTER, D.
- YAMADA, K.
- MOSLEMAKAI, M.
- BARGIN, R.
- MOLINA, P.
- MORSE, J.
- AJIFU, R.
- GEORGE, M.

US SENATORS
- GARRISON, N.
- INABA, M.
- CROZIER, C.
- RAMIL, T.
- MONAHAN, Wm.
- HONDA, H.
- TAKITANI, A.
- NICKOLPS, S.
- MCKINLEY, M.
- STEGMAIER, D.
- KALILIKANE, M.
- KOBAYASHI, B.
- KAMALI'I, K.B.
- BARNARD, M.A.
- HAGINO, D.
- HIRONO, M.
- BURGESS, Wm.
- FREITAS, R.
- FUKUNAGA, C.
- SARUNATARI, T.
- TANIGUCHI, B.
- CHONG, H. Jr.
- BLAIR, R.
- DuBOIS, D.
- BAKER, B.
- TAH, R.
- LEE, Kenneth
- WATIHEE, John
- ALCON, Emilio
- CHU, C.
- FUJIMOTO, R.
- WALT, Wm.
- OKAMURA, Tom
- TAKEHARA, A.
- TATUM, B.
- ABRISCE, E.
- HASHIMOTO, C.
- MONAHAN, D. Jr.
- KIYABU, K.
- KIHANO, D.
- HAGINO, G.
- HAGINO, D.
- WONG, R.
- JOHNSON, E.
- BARNARD, M.A.
- HAMOPS, R.
- DUQUESNOY, G.
- TANIGUCHI, H.
- KAPU, K.
- FUKUNAGA, C.
- TANAKA, E.
- O'Connor, D.
- SOARES, W.B.
- LEVY, A.
- SIMPSON, J.
- NAKAMU, R.
- DESHA, P.
- TAKAMINE, Y.
- TANAKA, E.

17th Rep Dist
- ALBANO, G.
- LEE, Kenneth
- WATIHEE, John
- ALCON, Emilio
- CHU, C.
- FUJIMOTO, R.
- WALT, Wm.
- OKAMURA, Tom
- TAKEHARA, A.
- TATUM, B.

18th Rep Dist
- ABRISCE, E.
- HASHIMOTO, C.
- MONAHAN, D. Jr.

19th Rep Dist
- KIYABU, K.
- KIHANO, D.
- HAGINO, G.
- HAGINO, D.
- WONG, R.
- JOHNSON, E.
- BARNARD, M.A.

20th Rep Dist
- NAZARES, R.

21st Rep Dist
- YOUNG, P.

22nd Rep Dist
- TANIGUCHI, H.

23rd Rep Dist
- TANIGUCHI, H.

24th Rep Dist
- HAMOPS, R.

25th Rep Dist
- HAMOPS, R.

26th Rep Dist
- SAKAMOTO, R.

27th Rep Dist
- KUNIMURA, T.

The Christian Coalition
Newsletter
1376 Kapiolani Blvd. 2nd Floor Ewa Wing Honolulu, Hawaii 96814 (808) 944-1173
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SURVEY OF NATIONAL & STATE CANDIDATES - HAWAII
"IMPORTANCE OF ONE VOTE"

What reasons do you think non-voters give for not voting?
"I don't like the candidates," "I am sick of all the politicians," "The polls say my choice cannot win," etc.

How important is one vote? If you think of its importance in terms of something contributory to the overall good of the country, state and nation fine, but the most important reason is you have the privilege of voting. Your vote is your voice in the government of your country, your vote does count. Did you know one vote gave America the English language instead of German in 1776, one vote brought Texas into the Union in 1845 and one vote gave Hitler leadership of the Nazi Party in 1923.

Howard Baker
(Hon Adv 9/4/80)

OBSERVATIONS:

Out of the 148 questionnaires sent to all state and national candidates, 32 responded (23%) leaving 116 candidates who did not respond. Sad to say, apparently 30,000 distribution is not worthy of their response. All names of those candidates running for a state or national office are listed. Those who have not responded are on the back page.

YOUR ONE GODLY VOTE IS PRICELESS !!!!
Wong faces an uphill battle in his fight to retain his Senate leadership post. With the defeat of Yim in the 5th District, Wong is now concentrating his efforts in getting Sen. Anson Chong, Sen. Uwaine Takamine, and Sen. Senatorial District, elected in the neighboring 6th District (Manoa-Waikiki).

The defeat of either Chong or Uwaine in the 6th District or Democratic Sen. Dante Carpenter in the 1st District (Hawaii) could spell disaster for Wong's future political plans.

There already is talk about the possibility of elevating Kauai Democrat George Toyofuku, who has long been a friend of labor organizations during his long tenure as Human Resources Committee chairman, as a compromise president.

In 1978, Wong was barely able to scrape together the 13 votes he needed to wrest the presidency from Sen. John T. Ushijima, a Big Isle Democrat. In the forthcoming legislative session, he faces an even greater challenge because of opposition to his leadership from both organized labor and the business community.

Okata acknowledged yesterday that HGEA is pushing a slate of 13 candidates, six of them incumbents, who the union believes will work to oust Wong from the Senate presidency. Among the 13 candidates five are Republicans — Richard Henderson (1st District-Puna), George Toyofuku (1st District-Windward Oahu), John Carroll and Ann Kobayashi (6th District-Manoa-Makiki); and W. Buddy Soares (7th District-Kaimuki-Hawaii Kai). Okata said the union is even willing to back Democratic neophyte Jack Morse, an attorney, in the 3rd District because he is not a part of Wong's faction.

By Gregg K. Kakesako
Star-Bulletin Writer

In its strongest statement to date, the 24,000-member Hawaii Governing Employees Association yesterday called for the ouster of state Sen. Richard S.H. Wong as Senate president.

Russell Okata, HGEA deputy director, told reporters that his union cannot back Wong, D-5th Dist (West Honolulu), in his bid to retain the presidency.

"When we supported (Rep.) Milton Holt," Okata added, "it was because we supported a change in leadership."

The reason the HGEA cannot support Wong, as Senate president, Okata said, because Wong has been hostile to labor, especially the increased health benefits requested by retired members of his union.

With the help of the HGEA, Holt led the Democratic primary race in the Nanakuli senatorial district, knocking off incumbent T.C. Yim, chairman of the Senate Economic Development and Energy Committee.

Holt garnered 61 percent of the votes, compared with Wong's 45 percent. Both Holt and Wong were elected outright since they face no general election opponent on Nov. 4.

Throughout the Democratic primary, Wong bitterly complained that he was running against the powerful labor union headed by HGEA Executive Director David Trask.

HGEA WANTS a New Chief in Senate

(* denotes incumbent.
U.S. PRESIDENT
- Jimmy Carter (D).

U.S. VICE PRESIDENT
- Walter Mondale (D).

U.S. SENATE
- Daniel Inouye (D).

U.S. HOUSE
- Cecil Heftel (D) and Daniel Akaka (D).

STATE SENATE
1st Dist. (Hawaii) — Katsuya Yamada (D) and Richard Henderson (R).
2nd Dist. (Maui) — Gerald Machida (D) and Alice Takamine (D).
3rd Dist. (Windward Oahu) — Mary George (D) and Jack Morse (D).
4th Dist. (Leeawood-Oahu-North Shore) — Norman Mizuguchi (D) and Patsy Young (D).
5th Dist. (West Honolulu) — Milton Holt (D).
6th Dist. (Manoa-Waikiki) — John Carroll (R) and Ann Kobayashi (R).
7th Dist. (Kaimuki-Hawaii Kai) — Dennis O'Connor (D) and W. Buddy Soares (R).

STATE HOUSE
1st Dist. (Kaua'i-Puna-South Hilo) — Andy Levin (D).
2nd Dist. (South Hilo) — Herbert Segawa (D) and Maimori Yamazaki (D).
3rd Dist. (North Hilo-Kohala) — Yoshito Takamine (D).
4th Dist. (South Kohala-South Kona) — Minoru Inaba (D).
5th Dist. (East Maui) — Mark Andrews (D).
6th Dist. (West Maui-Molokai-Lanai) — Herbert Honda (D) and Anthony Takitani (D).
7th Dist. (Kauai-Aina Haina) — Robert Doda (D) and Donna Ikeda (R).
8th Dist. (Diamond Head-Aina Haina) — Fred Rohlfing (R).
9th Dist. (St. Louis-Maunalani Heights) — Ted Morikoa (D) and Calvin Say (D).
10th Dist. (Kaimuki-Kapahulu) — Ken Kiyabu (D) and Bertrand Kobayashi (D).
11th Dist. (Ala Moana-Waikiki) — No endorsement.
12th Dist. (McCully-Mollili) — Dave Haga (D) and Masa Kato (R).
13th Dist. (Makiki-Honolulu) — Gerald De Heer (D), Carol Fukunaga (D) and Brian Taniguchi (D).
14th Dist. (Kakaako-Punchbowl) — Russell Blair (D) and Kate Stanley (D).
15th Dist. (Pauoa-Alewa Heights) — Byron Baker (D) and Richard "Ike" Sutton (R).
16th Dist. (Kalihai Valley-Kamehameha Heights) — Ted Yap (D) and Dennis Nakakoa (D).
17th Dist. (Kalihai-Salt Lake) — Gene Alibano (D) and John Waihee (D).
18th Dist. (Ala Moanaau) — Tom Okamura (D) and Connie Chun (D).
19th Dist. (Pearl Ridge-Pearl City) — Clarice Hashimoto (D) and Eloise Tungapalan.
20th Dist. (Ewa-Waipahu) — Daniel Kihano (D) and Mitsu Shito (D).
21st Dist. (Aiea-Ua Maui) — James Akii (D) and Henry Peters (D).
22nd Dist. (Wahiawa-Haleiwa) — Yoshio Nakamura (D) and Gerald Hagon (D).
23rd Dist. (Hauula-Heeia) — Charles To
guchi (D).
24th Dist. (Kaneohe-Maunawili) — Marshall Ige (D).
25th Dist. (Aiea-Enchanted Lake) — Whitney Anderson (R) and John Mederos (R).
26th Dist. (Keolu Hills-Waimanalo) — Russell Sakamoto (D).
27th Dist. (Kauai-Ni'ihau) — Richard Kawakami (D), Tony Kunimura (D) and Dennis Yamada (D).

HONOLULU COUNTY
Mayor — Eileen Anderson (D).
Prosector — Lee Sell Blair (D).

HAWAII COUNTY
Mayor — Herbert Matayoshi (D).
Prosector — Jon One (D).

MAUI COUNTY
Council — Goro Hukuma (D), Rick Medina (R), Toshi Lee Liu (D), Mariano Acoba (D), Howard Kihune (D), Robert Nakason (D) and Abe Alona (D).

KAUA'I COUNTY
Mayor — Eduardo Malapit (D).
Prosector — Gerald Matsunaga (D).

OFFICE OF HAWAIIAN AFFAIRS
At Large — Adaline "French" DeSoto (D), John "Squeeze" Kamana (D), Elsie Tungapalan.
At Large — Hawaii Willam Williams and Malie Mossman.
At Large — George Hookano.
At Large — Malama Solomon.
At Large — Maui North, Walter Correa.
At Large — Molokai — Walter Ritte.
At Large — Kauai South.

BOARD OF EDUCATION
At Large — Darro Darrow (D), Hubert Minn.
At Large — Hiroshi Yamashita, Hubert Evely, June Leong and Norobu Yonamine.
Honolulu — Akira Sakima.
Central Oahu — Jon Tuya.
Leeeward Oahu — Randal Yoshida.
Windward Oahu — John Penobacker.
Hawaii — Leslie Brown.
Maui County — Meyer Ueoka.
Kauai — Sherwood Harra.
Marsland, Others Fined
$50 by Campaign Panel

By Gregg K. Kakesako
Star-Bulletin Writer

Honolulu City Prosecutor Charles Marsland, who ran as Republican on a law and order platform, today was fined $50 by the state Campaign Spending Commission for failing to file an updated financial disclosure statement.

Honolulu City Prosecutors Charles Marsland, who ran as Republican on a law and order platform, today was fined $50 by the state Campaign Spending Commission for failing to file an updated financial disclosure statement.

Also fined $50 for missing yesterday's 4:30 p.m. deadline were three office holders—Board of Education member Margaret Apo, Office of Hawaiian Affairs Trustees Peter Apo and Rod Burgess—and a total of seven unsuccessful school board and OHA candidates, according to the State Campaign Spending Commission.

In addition, Gordon Bronson, who lost in the race for city prosecutor, and the Ameron HC&D Political Action Committee were fined for missing the deadline.

Earlier, the commission had listed the state central committees of both the Democratic and Republican parties as being delinquent. But a spokesman later said that their financial disclosure statements had been misplaced.

Yesterday was the deadline for all candidates and organizations who have a surplus or balance to file a supplemental financial disclosure statement with the commission listing how much they collected, from whom and how much they spent since the beginning of the year.

JACK GONZALES, the commission's executive director, said Marsland, who has a campaign deficit of about $40,000, was planning to submit an updated financial report sometime today.

"Apparently his (Marsland’s) campaign treasurer was on vacation and didn't get our notice reminding all those who have an active 'campaign organization that yesterday was the filing deadline,'" Gonzales said.

"Nevertheless, Marsland will still be fined $50 for not filing on time," he said.

Rick Reed, Marsland’s administrative assistant, today said Marsland’s administrative assistant, today said Marsland’s administrative assistant, today said Marsland’s administrative assistant, today said Marsland’s administrative assistant, today said Marsland’s administrative assistant, today said Marsland’s administrative assistant, today said Marsland’s administrative assistant, today said Marsland’s administrative assistant, today said Marsland’s administrative assistant, today said Marsland’s administrative assistant, today said Marsland’s...
WASHINGTON, D.C. — Former Mayor Frank Fasi, who recently told a Maui Kiwanis Club audience that he probably will run for governor as an independent, has a surplus of $192,367. Between Jan. 1 and June 30 he spent $43,374—mainly in office and photographic supplies for his Beretania Street Cultural Plaza campaign headquarters.

State Senate Republican coalition leader D.G. "Andy" Anderson, 3rd Dist. (Windward Oahu), has no campaign fund-raising events and only reported a surplus of $19,750 in 1980 senatorial campaign committee.

Lt. Gov. Jean King raised $1,332 and spent $3,696. She now has a cumulative cash balance of $17,901. Fasi reported only collecting nearly $12,000 which was in the form of interest on the campaign funds he has deposited with Liberty Bank, rather than campaign contributions or donations were listed.

Honolulu Mayor Eileen Anderson, who won her first four-year term last November, made up her $35,000 deficit with a $100-per-person cocktail party at the Aloha Tower April 15. She reported a surplus of nearly $196,000. During the first six months of this year her campaign committee paid off the $63,000 loaned to her by 30 members of Arroyo's cabinet. During the same period she retired $170,000 of the $75,000 she personally borrowed to run.

House Speaker Henry Peters, a potential candidate for lieutenant governor, raised $12,450 and spent $4,703. He now has a cash surplus of $15,322.

Senate President Richard S. Shin (Urban Oahu) reported a surplus of $43,888. The largest contribution to Shin's campaign war chest was $12,500 each from United Public Workers, Thomas Lum and Associates, Franklin Gray and Associates, and Benjamin Lee. Another apparent discrepancy from Arroyo's report is the listing of United Public Workers, $6,000; Thomas Lum and Associates, Frank Gray and Associates, and Benjamin Lee, $3,000 each; and Calvin and Joyce Kim, $2,400.

The important thing is that all contributions are disclosed," Gonzales said. Delinquent candidates and organizations also face additional fines. As a result of the review of the financial statement this week, it is now cutoff party held at the Aloha Tower on May 28.

More than 6,000 people reportedly turned out for the May 30 cocktail party which is the first campaign event of the year. More than 6,000 people reportedly turned out for the May 30 cocktail party which is the first campaign event of the year. More than 6,000 people reportedly turned out for the May 30 cocktail party which is the first campaign event of the year. More than 6,000 people reportedly turned out for the May 30 cocktail party which is the first campaign event of the year. More than 6,000 people reportedly turned out for the May 30 cocktail party which is the first campaign event of the year. More than 6,000 people reportedly turned out for the May 30 cocktail party which is the first campaign event of the year. More than 6,000 people reportedly turned out for the May 30 cocktail party which is the first campaign event of the year. More than 6,000 people reportedly turned out for the May 30 cocktail party which is the first campaign event of the year. More than 6,000 people reportedly turned out for the May 30 cocktail party which is the first campaign event of the year. More than 6,000 people reportedly turned out for the May 30 cocktail party which is the first campaign event of the year. More than 6,000 people reportedly turned out for the May 30 cocktail party which is the first campaign event of the year. More than 6,000 people reportedly turned out for the May 30 cocktail party which is the first campaign event of the year. More than 6,000 people reportedly turned out for the May 30 cocktail party which is the first campaign event of the year. More than 6,000 people reportedly turned out for the May 30 cocktail party which is the first campaign event of the year. More than 6,000 people reportedly turned out for the May 30 cocktail party which is the first campaign event of the year. More than 6,000 people reportedly turned out for the May 30 cocktail party which is the first campaign event of the year. More than 6,000 people.
Senate plans

By Jerry Burris
Adviser Politics Editor

"State Senate President Richard Wong said yesterday the Senate will not agree to override Gov. George Ariyoshi’s veto of a generous but controversial tax credit bill.

His statement came even as the House was laying the groundwork Tuesday for a one-shot legislative session to deal with Ariyoshi’s veto of the $45-million-a-year measure that would have quadrupled existing tax credits for low- and moderate-income families.

But those efforts are "moot," House Speaker Henry Peters said, if the Senate is set against coming back to deal with the issue.

Both sides said, however, that the Legislature is likely to hold extensive interim hearings on tax matters and that some kind of tax changes are possible during the 1982 session.

There was every indication, however, that the state’s changing financial health won’t allow the luxury of a permanent “rebate” of the size contemplated in the measure vetoed by Ariyoshi.

The resignation this week of a seven-member citizen tax review commission puts more pressure on the Legislature to conduct its own review of the way the state collects and spends taxpayer dollars.

Peters and Wong both said they regretted the dissolution of the tax commission, whose members quit because the Senate would not agree to give them additional money and time for their study of the Hawaii tax system.

Sen. Norman Mizuguchi, meanwhile said yesterday he would ask Ariyoshi to persuade the tax commission to reconsider their decision. And he said he would press for the extra funds for the commission either during an expected second special legislative session this fall or during the 1982 regular session.

Under the Constitution, the Legislature could have come back Tuesday to reconsider Ariyoshi’s vote of the tax credit bill. Lawmakers could either override his veto or rewrite the measure to meet his objections.

Ariyoshi’s complaint was not over the cost of plan, but the “inequities” contained in giving a “disproportionate” share of the credit to lower-income and elderly recipients.

But Wong indicated the governor may have done the state’s fiscal health a favor by vetoing the bill. And, by implication, he suggested the Legislature may have been overly generous when it approved the permanent return of close to $50 million a year to Island taxpayers.

"If it (the state financial situation) continues on the basis of the (latest) financial plan," Wong said, "the probability of a tax credit passing and making it permanent would be very difficult."

The latest administration financial plan indicates that if Ariyoshi had not vetoed the credit bill and if tax collections do not pick up, the state’s current multimillion-dollar tax surplus could turn into a deficit by the 1983 fiscal year.

(Ariyoshi has said his veto had nothing to do with the long-range financial implications of the tax credit bill and, in fact, he says he still supports a permanent return of about $40 million a year but on a different formula.)

Even if the opportunity for a permanent rebate plan has passed, Wong said, there is a strong possibility the 1982 Legislature will take up some kind of tax rewriting effort.

In the meantime, he said, the Senate position is it will “not be coming back” to look at the tax credit veto.

Continued On 2
no override of tax bill veto

Wong said that decision is, in part, because "the House is against a special session and one body can't do it by itself."

This, said House Finance Chairman Tony Kunimura, is "a lot of hogwash."

"The House was ready, willing and able to come back," Kunimura said.

In fact, Kunimura said, his staff is already at work on proposals designed to meet Ariyoshi's objections to the four-fold increase in the excise tax credits.

Those proposals were supposed to be taken up in a House Finance session Monday. If a consensus could be reached, Kunimura said, the House could have come back Tuesday to rewrite the vetoed measure.

Peters said several options were under consideration, including rewriting the bill so that the increases in credits are smaller, shifting the distribution more evenly among all levels of taxpayers or making it a "one-shot activity" pending interim review of the entire Hawaii tax structure.

"Our (Democratic) majority was willing to look at the measure and look at (Ariyoshi's) objections seriously to see if we can meet those objections," Peters said.

"But I guess that question is a rather moot one now."

Peters was not quite as specific on the potential financial damage of the credit bill as was Wong. But he acknowledged changing conditions may make it tough to work out a tax credit package of that magnitude next time.

The money may have to be used instead to "repair" some of the damage of the cuts in federal support proposed by President Reagan, Peters said.

"One of the things that may occur is federal cutbacks and the expectations of our constituency to take care of those cuts," he said.

Plus, he said, "I'm not convinced the economy is going to get better."

These unanswered questions, Peters said, makes it doubly unfortunate that the Tax Review Commission will not complete its proposed study.

"I would have been a heck of a lot more comfortable with an independent look at the situation," Peters said.

Ariyoshi already has said he believes it will be difficult to get a new commission established considering the time and money constraints it faces, but Mizuguchi said he believes the effort would be worthwhile.

"It is a betrayal of taxpayer interests when this body, charged by the Constitution to review the fairness and equity of the tax system, does not receive adequate support from the Legislature," he said.
State Releases Funds for 2nd-Airport Plan

By Gregg K. Kakesako

While still insisting that he intends to pursue joint military-civilian use of Wheeler Air Force Base, Gov. George Ariyoshi yesterday nevertheless released $100,000 for the preparation of a master plan for an Oahu general aviation airport.

The release of the funds was announced in a news release put out by his office. The governor was in Hilo yesterday for the swearing-in ceremony of Big Island residents appointed to 28 state boards and commissions.

In the news release, Ariyoshi said the money would be used "to prepare a master plan and environmental impact statement for a general aviation airport on Oahu."

"None of the money will be used for any construction," he said. "The plan will include a study of various alternative sites."

Bob Wernet, Ariyoshi's press secretary, said the environmental impact statement will cover "all the alternative sites, including Poamoho, Wheeler, Waipio and others."

Wernet said the governor still intends to follow the wishes of the Legislature as outlined in the budget passed in the just concluded special session and signed into law Monday by Ariyoshi.

A STATE DEPARTMENT of Transportation spokesman said the master plan will take possibly a year to complete.

Republican Sen. Mary George, chairman of the Senate Transportation Committee, yesterday said that she didn't have "the faintest idea what the money is for and who is supposed to do the study."

"I cannot conceive what useful purpose can be served by more paper work until a decision is made," said George, R-3rd Dist. (Windward Oahu).

The governor apparently is not disheartened by reports that the military is not too receptive to civilian aircraft using its facilities.


Several years ago, the Pentagon rejected a state administration request to open up Barbers Point Naval Air Station to civilian pilots.

But Senate coalition leader D.G. "Andy" Anderson, R-3rd Dist. (Windward Oahu), said the Reagan administration might be more amenable to the latest proposal involving the Wheeler facility.

THE RULING Republican-Democratic coalition in the Senate persuaded the House this year to pursue again the possibility of civilian use of military airfields.

The state administration had asked the Legislature to appropriate funds for a second Oahu airport at Poamoho, north of Wahiawa. But the House, which originally backed the Poamoho site, instead appropriated $5 million for an unspecified site.

Rep. Robert Dods, D-7th Dist. (Hawaii Kai-Aina Haina), resigned his chairmanship of the House Transportation Committee when House Speaker Henry Peters refused to renew the House's support of Poamoho.

ARIYOSHI ALSO announced yesterday that Tim Scott Farr, whose appointment to the University of Hawaii Board of Regents was rejected by the Senate this year, will serve an interim term on the board.

Farr, who will replace Michael Moriarty, however, can serve only until the 1982 legislative session as an interim appointee.

Ariyoshi also gave attorney Wallace Fujiyama, whose term expired Dec. 31, 1980, an interim appointment. He has been on the board for seven years so he can serve for another year. State law says a member of a board or commission can serve for a maximum of eight years.

Fujiyama fills the seat formerly held by Ruth Oshiro, who was supposed to have been replaced by Alice Guild. But Guild asked the governor to withdraw her name because of strong opposition to her nomination in the Senate in the regular 1981 session.

Ariyoshi also had to withdraw the reappointment of Gerard Jervis who apparently will serve in a holdover capacity on the UH Board of Regents.

The terms of Board of Regents members Tom Shibano of Maui and Robert Fujimoto of the Big Island will expire next year.
Session over, but another still to come

By Jerry Burris
Advertiser Politics Editor

The 1981 Legislature will be forced to reconvene later this year to deal with President Reagan's cuts in the federal budget, its leaders said yesterday.

That message was left behind as the Legislature wrapped up its first special session with lingering confusion over just exactly what had been done about a threatened education funding problem.

Lawmakers approved a two-year budget that corrects the technical errors which brought the session together in the first place. And they included provisional language that is supposed to assure the state administration it can go ahead and schedule the public school year despite a threatened reduction in federal aid.

They also approved 20 spending bills which had to be repassed because of the legal cloud over the first version of the budget.

And they gave final approval to a temporary increase in the amount the state can pay for borrowed construction money — a measure needed to keep the state public works program going on an even keel.

Through March 31 of next year, the state can legally pay up to 12.5 percent interest instead of the current 9.5 percent limit.

Gov. George Ariyoshi signed the budget just hours after it was passed, thus allowing the state to go ahead with its new budget year starting tomorrow.

If and when a shortfall in federal education money becomes reality, Ariyoshi said, it will be up to the Legislature to decide what to do.

All that settled immediate problems. But it was obvious that legislators in both the House and Senate believe a further session will be needed once the full impact of Reagan's budget-cutting efforts is known.

Even though the 1982 Legislature will convene in January, more immediate response to federal cuts may be needed, lawmakers said.

"This has been a most eventful year," said Senate President Richard Wong.

"And that year is not over yet. We plan on coming back again in the fall to review all federal cuts and their impact on Hawaii."

The fall session probably would be in late October or early November, Wong said — after the federal budget is set.

House Speaker Henry Peters — who has said all along that the Legislature will be forced to grapple with the fallout of Washington's cutbacks — also foresaw a second special session.

"It's a very good possibility we'll be back in the fall," said Peters.

When the Legislature comes back, one of the major issues will be whether to break the constitutional limit on spending and use surplus local dollars to make up for reduced

Continued on next page...
Session over; another to come

from page one

federal help.

Politically, lawmakers are reluctant to go beyond the voter-approved ceiling, but such action may be necessary if the federal cuts are sufficiently severe.

This was the issue that generated the lingering question about the education funding provision. Even as the legislators closed up shop and went home, there were questions about the precise meaning of the language they wrote to save the school budget.

At base, everyone agrees the language is supposed to give Arroyo the authority to plan a fully funded school year even though the entire $13.8 million in federal "impact aid" for education may not be forthcoming.

That money translated into roughly 510 teaching slots, and education officials warned that the school year could be thrown into chaos if the dollars were not made up.

The fuzziness comes over interpretations of where the money will come from.

Wong said he reads the education proviso as giving Arroyo authority only to spend within the amounts actually appropriated by the Legislature. There is a margin of roughly $9 million between what the Legislature appropriated for state operations next year and the upper edge of the constitutional spending ceiling.

But those dollars are not to be used without specific legislative authorization later on, Wong said.

"Our understanding with the governor's office and with the speaker of the House is that the margin is not to be touched," Wong said.

Said Peters: "I read it that the governor has the right to expend up to the spending ceiling."

A third interpretation was offered by Sen. Dennis O'Connor, unofficial spokesman for a bloc of seven "minority" Democrats in the Senate who are left out of the Democratic-Republican majority coalition.

As he reads it, O'Connor said, not only is the governor authorized to spend up to the constitutional ceiling, but Arroyo also can even theoretically go beyond that ceiling if necessary to make up for a shortfall in federal dollars.

"There is nothing in this proviso that caps the governor's authority to expend," O'Connor said.

Other lawmakers said, however, that the Hawaii Constitution requires specific authorization from two-thirds of both houses in order to breach the spending ceiling. There was no such specific language in the proviso, they noted, so the governor cannot act.

Such differences of opinion, Arroyo said yesterday after signing the budget, are really beside the point. The bottom line is that he has been given authority to hire the full complement of teachers and the Legislature has pledged itself to deal with the funding issue when it arises.

"If federal funds don't come in, we will have a problem," Arroyo said, and the Legislature will have to return.

"So whether we exceed or stay within the ceiling will be determined by the Legislature," he said.

"It's not really my decision. (The proviso) now tells me to go ahead and not anticipate a shortfall."

Six of the seven minority Democrats voted against the budget because of their objections to the way it had been handled. They were O'Connor, John Ushijima, Gerald Machida, Norman Mizuguchi, Milton Holt and George Toyofuku.

The seventh minority Democrat, Sen. Charles Campbell, voted with the majority. He is a member of the budget-writing Ways and Means Committee.

There were no negative votes on the budget in the House.

Other bills passed yesterday included $250 million in new revenue bonds for the state's Hula Moe mortgage assistance program; some $34 million in pay raises for unionized government workers; borrowing authorization for the new Aloha Tower maritime complex; and a $63 million judiciary budget.

Also approved was a $43 million settlement on an injury claim against the state as well as other criminal injuries payments and claims bills.

Those measures, along with around $6 million for asbestos removal from public schools, are supposed to be counted against this year's budget rather than the budget for the year beginning tomorrow.

Legislators assigned those expenses to this year in order to avoid exceeding the constitutional spending ceiling. That maneuver lent extra urgency to the recent special session.

If for some reason the work had not been finished before the new fiscal year began, then the settlement and asbestos bills would have been counted as spending for the new year. That would have pushed the spending total over the constitutional ceiling, thus generating a long list of logistical and political headaches.

The technical reason for the six-day session was to correct about a dozen discrepancies between House and Senate versions of the budget. The differences were in totals for construction spending and, according to Attorney General Tony Hong, the discrepancies meant the budget may not have legally passed both houses in "final form."
Legislature's Extra Work Paves Way for New Fiscal Year

By Gregg K. Kokesoko
Star-Bulletin Writer

Gov. George Ariyoshi was expected to sign into law the state's new $2.6 billion budget as soon as it is approved by legislators meeting today in the final day of their special budget session.

The budget, which is needed before the new fiscal year begins Wednesday, contains a compromise provision drafted by Ariyoshi, House Speaker Henry Peters and Senate President Richard S.H. Wong after several weeks of bickering and feuding.

The summer budget battle centered on the threat by Congress to slash public education subsidies, which had been used to pay some 510 teachers in the state school system. Hawaii lawmakers wanted to give Ariyoshi the authority to hire a full complement of teachers this fall despite the expected subsidy cuts, but were afraid that the governor would have to reduce funds for other programs in the budget to offset the difference.

In the end, lawmakers agreed that a fall special session will be held if the federal cuts, now being debated in Congress, are more than anticipated.

EARLIER THIS MONTH, Superintendent of Education Charles Clark informed the governor and the Legislature that these 510 tenured teachers would have to be laid off because of congressional threats to cut federal impact aid—the subsidy states receive for educating military dependents. Hawaii was hoping to receive $13.8 million in federal impact aid funds.

The federal government for more than a decade has given subsidies to public school districts to help offset extra expenses of educating children of military personnel stationed in those areas. In Hawaii, the federal impact aid subsidy is deposited in the Department of Education's general fund which is then used to pay the salaries of Island teachers.

The impact aid program was one of the many domestic programs targeted by the Reagan administration for reduction or elimination in an attempt to balance the federal budget.

Also on the agenda for final approval in both houses today are bills that would appropriate:

—$250 million in additional revenue bonds for the state's Hula Mae mortgage program which is supposed to help lower and middle-income families.

—$33.8 million to pay for the salary increases, which will take effect Wednesday, for the state's 29,000 unionized teachers, University of Hawaii faculty members and white- and blue-collar workers.

—$63.4 million to pay for the operating expenses and new construction projects planned for the state judiciary.

—$43.9 million to settle the lawsuit...Turn to Page A-3, Col. 1

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filed by Sylvia Gamino who became a quadriplegic as a result of an auto accident which involved a state car in which she was a passenger.

—$723,869 to cover 58 damage claims against the state.

—$898,535 to provide funds to compensate victims of violent crimes.

—$415,466 to cover the expenses of the Office of Hawaiian Affairs, including the filling of up to 32 new staff positions.

—$150,000 to establish a venture capital information center in the Department of Planning and Economic Development to carry out "an invention development" program.

—$10,000 to establish the 1984 Hawaii Statehood Silver Jubilee Committee that will plan the state's official celebration of the 25th statehood birthday Aug. 21, 1984.

All these bills had to be vetoed when Attorney General Tany Hong informed Gov. Ariyoshi that discrepancies in the budget disclosed by House Finance Committee chairman Tony Kunimura, raised questions about the legality of the $2.6 billion two-year financial document.

The 13 "clerical errors" involved $7.6 million in discrepancies between the House and Senate's version of the budget even though both bodies were supposed to have passed identical budget measures on April 30 at the end of the legislature's regular session.

The special session was supposed to have lasted for only five days, but had to be extended until today because of the prolonged bickering between House and Senate coalition leaders about the public education subsidies provision.
The special summer session of the state Legislature convened this morning with Senate coalition leaders charging that both Gov. George Ariyoshi and House Speaker Henry Peters unilaterally rewrote portions of the state's $2.6 billion budget without the Senate's consent.

The budget, supposed to take effect July 1, and 17 other appropriation bills were vetoed late Friday by Ariyoshi who ordered lawmakers back to the State Capitol this morning to correct the budgetary mistakes.

But according to Senate President Richard S.H. Wong, alleged changes the House made to the state budget definitely will prolong the special session until next week and maybe even longer.

Wong, D-5th Dist. (Urban Oahu), said Peters, D-21st Dist. (Waianae-Ewa Beach), completely rewrote a budgetary provision drafted by House Education Chairman Charles Toguchi and Senate Education Chairman Neil Abercrombie.

Wong said the Toguchi-Abercrombie provision was supposed to give Ariyoshi the authority to retain 510 tenured teachers whose jobs are jeopardized by possible cuts in federal impact aid funds.

BUT FOLLOWING today's 9 a.m. special Senate session, Wong told reporters that the House completely rewrote the budget provision giving the Legislature to spend more money it was supposed to under the new expenditure ceiling.

"We will take no action during the summer special session to exceed the spending ceiling," Wong said. "We are willing to give the governor authority, which we believe he already has, to release state dollars in anticipation of the receipt of federal funds.

"If there is a shortfall in federal dollars, then it's not the governor's fault and it's up to us to come back in a special session later on this year to devise ways to make up the deficit."
Special Summer Session
Begins with Bickering

Continued from Page One

te will make no changes to the budget bill today and will move it to the floor of the House for transmittal to the Senate on Wednesday.

Senate President Wong said there is only a $3 million cushion between the state’s new spending ceiling and the amounts appropriated in the state budget.

“The governor will have to go over the ceiling to cover the anticipated $13.8 million short fall caused by the cutback in federal funds,” Wong said.

But Peters disagreed, saying that the Senate should read the budget provision.

“That provision only authorizes the governor to spend the difference between what is appropriated and the spending ceiling. We made it very clear that the governor cannot exceed the state’s spending ceiling,” Peters said.

“The main thing we (House members) want to do is to make sure that the 510 teachers are rehired and our children are educated...Once we definitely know what Congress plans to do, then we will take the appropriate action.”

PETERS SAID it is premature to talk about a fall special session since “we do not have any idea what Congress intends to do.”

Wong also emphasized that the purpose of the special session is to correct 13 or 20 “clerical errors” in the budget and re-adopt 17 other measures that are dependent upon the budget for enactment.

“This is not a second chance session for other bills,” Wong added.

He was referring to legislation killed by the Senate in April, but which was reintroduced today by the House. These items include:

—Extending the life of the Tax Review Commission for another six months beyond Jan. 1 with a budget of $400,000 instead of the $30,000 appropriated by the Legislature in April.

—Raising the interest rate of state bonds, set at 9.5 percent, to meet the current market demands. The governor and the House maintain that the state’s public works program will come to a “screeching halt” if the ceiling is not lifted.

—Continuing the state’s Comprehensive Employment and Training Act (SCET) which will cost another $3 million, but which House Speaker Henry Peters said will ensure jobs for nearly 500 of the state’s unemployed.

Wong said that the tax commission and the SCET bills will die in the Senate, but there is a remote possibility that the bond bill may be enacted.

PETERS AND the seven “minority” Senate Democrats, who challenged the leadership of Senate President Wong and lost, also wanted to use the summer legislative session as a “second chance” to try to move an executive and judicial pay raise through.

But that proposal was vetoed by the ruling Senate Democratic-Republican coalition, led by Democrat Wong and Republican Sen. D.G. “Andy” Anderson, 3rd Dist. (Windward Oahu).

Negotiations between House Speaker Peters and Senate President Wong on the session’s agenda items broke off Tuesday, widening the split between the two political leaders who ended the regular 1981 session exchanging bitter words.

Unable to agree on the agenda of the special summer session of the Legislature, Peters Friday asked Ariyoshi to recall lawmakers to the State Capitol, Ariyoshi said that he attempted “to give the Legislature the maximum leeway for legislators themselves to call the special session,” but because they did not take any action he was forced to act.

Peters said Wong broke off the negotiations when he failed to return any of the speaker’s phone calls after Tuesday’s meeting. Senate leaders, on the other hand, maintain the discrepancies, uncovered by House Finance Chairman Tony Kunimura, were made public only to embarrass the newly-forged Republican-Democratic coalition.

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In the past, similar budgetary discrepancies were handed administratively, according to Senate leaders.
State Senate Plans Amendments to House-Approved Budget Bill

Continued from Page One

does not exceed the state’s spending ceiling.

But Senate Education Chairman Neil Abercrombie said the House’s amendment would mean “the abdication of proper legislative power.”

SENATE PRESIDENT WONG added that the House language, drafted by the Ariyoshi administration, is unacceptable because “it would use up all available funds, severely restrict the future options of the Legislature in making appropriation decisions and be an unwarranted abdication of legislative responsibility to the executive.”

Abercrombie, D-6th Dist. (Manoa-Waikiki) said the amendment, which Senate Ways and Means Chairman Mamoru Yamasaki yesterday personally presented to Ariyoshi, would strengthen the authority the governor already has to advance money from the general funds to hire a full complement of teachers.

Under the language of the Senate amendment, Ariyoshi would be required to file a report with the Legislature Dec. 1 on the impact of the Reagan budget cuts and his course of action to cover the federal shortfall.

By then the state will have a better picture of what other federal services will be cut and a fall special legislative session could be convened to handle all these problems, according to Senate coalition leaders.

HOWERVER, HOUSE SPEAKER Peters and Ariyoshi maintain that such a move would be illegal without a specific authorization by the Legislature to override the state’s spending ceiling.

Meanwhile, Peters and other Democratic leaders said the current special session should not be used to consider ways to correct the general excise tax bill vetoed by Ariyoshi on Monday.

The vetoed House bill was supposed to return about $42 million—the amount the state estimates a person annually dishes out for the 4 percent food and drug tax. Ariyoshi said the House bill, which would have quadrupled the general excise tax credits for elderly and low-income wage earners, did not treat all taxpayers equitably.

The governor said he preferred the enactment of a permanent $50 tax credit—a measure rejected by lawmakers during the regular session—since that is equivalent to what each person annually doles out in food and drug taxes.

ARIYOSHI’S VETO raised howls of protests from leaders of the Kukua Council for Senior Citizens, who met with Ariyoshi to protest his action, and resulted in an unsuccessful move by House Republican Leaders Kina’u Kamali’i to override the governor’s veto.

Kamali’i’s actions was described as “a cheap shot” by House Finance Chairman Tony Kunimura.

But Sen. Benjamin Cayetano, former Senate Ways and Means Committee chairman, yesterday described Ariyoshi’s veto as “a very courageous move given all the pressures that he (Ariyoshi) was under.”

Without the veto, Cayetano, D-4th Dist. (Leeward Oahu-North Shore), said, the state would have incurred a deficit amounting to as high as $30.2 million at the beginning of the 1983 fiscal year.

“It’s this cash flow problem which the House should be thinking about,” Cayetano added.

DURING YESTERDAY’S nearly day-long House session, Kamali’i, R-11th Dist. (Ala Moana-Waikiki), repeatedly was overruled by Peters, who was backed by the 34-member Democratic majority. However, on one occasion Big Island Democrat Andrew Levin bolted from the majority and voted with Kamali’i: GOP caucus.
House Speaker Henry Peters yesterday said he is ready to begin the special summer session of the Legislature on Monday, but he hasn’t received any word from Senate coalition leaders about when the session should begin.

Peters, D-21st Dist. (Waianae-Ewa Beach), said: “We’re ready to go; all we need is word from the Senate.” Senate leaders yesterday said they were still working on the budget and the language of several other appropriation measures that are dependent on the budget for enactment.

Peters said the leadership of the House agrees philosophically with the budget provision drafted by House Education Committee Chairman Charles Toguchi and Senate Education Chairman Nell Abercrombie.

That provision apparently would give Gov. George Ariyoshi the authority to retain 510 teachers who could have lost their jobs this fall because of an anticipated reduction in federal impact aid funds. Congress is now debating whether to retain or reduce the impact aid program and a final decision isn’t expected until the new school year begins in the fall.

UNDER A PROPOSED new funding formula, the state Department of Education stands to lose $13.8 million in federal impact aid funds.

Peters said he has been waiting since then for a formal response to several of his requests. Meanwhile, the Senate’s seven “minority” Democrats, led by Sen. Dennis O’Connor, yesterday endorsed the Abercrombie-Toyofuku budget provision which would ensure a full complement of teachers when school opens in September.

O’Connor, D-7th Dist. (Kaimuki-Hawaii Kai), said the language of the budget provision should be written to give the governor the authority to accelerate spending by drawing from the allotments of the third and fourth quarters of the fiscal year.

However, O’Connor said the Abercrombie-Toyofuku budget provision is just “a stop-gap” measure to take care of only one of the problems caused by President Reagan’s budget. “This is just the tip of the iceberg,” he added. “We are going to have deal at a later date cuts in all state programs.”

The seven minority Democrats also sided with House Speaker Peters by saying other matters, such as the executive and judicial pay raise bills, should be addressed this session. But that issue was flatly rejected several weeks ago by the GOP-Democratic coalition which runs the Senate.

Besides dealing with the anticipated loss of federal impact aid funds and correcting more than a dozen “clerical errors” in the state budget, Peters and the seven “minority” Senate Democrats had wanted the special summer session to consider legislation:

—Extending the life of the Tax Review Commission for another six months beyond Jan. 1 with a budget of $400,000 instead of $300,000 appropriated by the Legislature in April.

—Raising the bond interest ceiling which is new set by law at 9.5 percent.

—Continuing funding the state’s Comprehensive Employment and Training Act (SCET) which will cost another $3 million, but which Peters said will ensure jobs for nearly 500 of the state’s unemployed.

BUT THE RULING Republican-Democratic Senate coalition vetoed Peters’ recommendations this week. Yesterday, the seven “minority” Democrats criticized the Republican-Senate coalition, led by Senate President Richard S.H. Wong to discuss the agenda of the special session was Tuesday and he has been waiting since then for a formal response to several of his requests.

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O’Connor suggested that the interest ceiling be raised to as high as 12.5 percent.

Earlier this week, the governor, at an informal news conference, said the state’s public works program will come to "a screeching halt" unless the Legislature lifts the current 9.5 percent interest ceiling.

But several coalition senators refuse to go along with this proposal, saying that they are worried about the long-range implications of borrowing money at such a high rate.

"When interest rates are so high," one Democratic senator said, "it’s better that we just don’t borrow.

In keeping with the Senate coalition’s policy of cutting out all "pork barrel" public works projects, another Democratic coalition senator added: "It may be a good thing we can’t borrow money now. We don’t need any more projects."

But O’Connor and Sen. Milton Holt, D-5th Dist. (Urban Oahu), argue that such a position only endangers the future of the state’s entire construction program.
By Greg Y. Kitamoto

Special Session Likely on Monday

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**Special Session Likely on Monday**

By Gregg K. Takase

Kame up with the agreement before the military to run the schools

Gov. George Ariyoshi says he is confident the five-day special session of the Legislature will begin by Monday to correct necessary a fall special session of the people of this state by dividing the people of this state by

More than a dozen "clerical errors" in the state budget will give him the authorization to rehire the 510 tenured teachers. Abercrombie said their community is divided between the military and the local communities. Also on the agenda are nearly two dozen other related spending measures which cannot become law if the budget bill is flawed.

Without that special session, maintenance, education, and other positions depend on federal impact aid funds.

"The state government has been surviving on the federal impact aid program which was established in 1950 to compensate school districts for educating children whose parents live or work on federal property, such as military bases," Abercrombie said. "We have been expecting a budget of $650 million for federal impact aid from this legislative session brought forward by federal legislation." Abercrombie said the military will provide $7.6 million in federal impact aid funds.

Congress is still debating whether Virginia and New York need a special session because the House and Senate passed different versions of the state's $2.6 billion budget.

Without that special session, military families that they will have to either drop the impact aid or by forcing the military to run their own schools," Ariyoshi said, "it's not their fault, but that can't cause a greater division between the military and the local communities." Also rejecting the tuition tax proposal are members of the state Board of Education.

"Our intent was to rehire the 510 tenured teachers," Ariyoshi said, "but that can't cause a greater division between the military and the local communities." Also rejecting the tuition tax proposal are members of the state Board of Education.

Ariyoshi said he is powerless to keep those teachers in work because the money for their positions depend upon federal impact aid funds. Also on the agenda are nearly two dozen other related spending measures which cannot become law if the budget bill is flawed.

Ariyoshi yesterday, how-
The special summer session of the state Legislature convened this morning with Senate coalition leaders charging that both Gov. George Ariyoshi and House Speaker Henry Peters unilaterally rewrote portions of the state's $2.6 billion budget without the Senate's consent.

The budget, supposed to take effect July 1, and 17 other appropriation bills were vetoed late Friday by Ariyoshi who ordered lawmakers back to the State Capitol this morning to correct the budgetary mistakes.

But according to Senate President Richard S.H. Wong, alleged changes the House made to the state budget definitely will prolong the special session until next week and maybe even longer.

Wong, D-5th Dist. (Urban Oahu), said Peters, D-21st Dist. (Waianae-Ewa Beach), completely rewrote a budgetary provision drafted by House Education Chairman Charles Toguchi and Senate Education Chairman Neil Abercrombie.

Wong said the Toguchi-Abercrombie provision was supposed to give Ariyoshi the authority to retain 510 tenured teachers whose jobs are jeopardized by possible cuts in federal impact aid funds.

BUT FOLLOWING today's 9 a.m. special Senate session, Wong told reporters that the House completely rewrote the budget provision giving the Legislature to spend more money it was supposed to under the new expenditure ceiling.

"We will take no action during the summer special session to exceed the spending ceiling," Wong said.

"We are willing to give the governor authority, which we believe he already has, to release state dollars in anticipation of the receipt of federal funds.

"If there is a shortfall in federal dollars, then it's not the governor's fault and it's up to us to come back in a special session later on this year to devise ways to make up the deficit."

WONG MAINTAINED that the Senate will reject the current language of the budgetary proposal unless the House Finance Committee to meet this afternoon to consider the budget and other related appropriation bills, changes it.

But House Speaker Peters predicted that the House Finance Commit

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The House Appropriations Committee will make no changes to the budget bill today and will move it to the floor of the House for transmittal to the Senate on Wednesday.

Senate President Wong said there is only a $3 million cushion between the state’s new spending ceiling and the amounts appropriated in the state budget.

“The governor will have to go over the ceiling to cover the anticipated $13.8 million shortfall caused by the cutback in federal funds," Wong said.

But Peters disagreed, saying that the Senate should read the budget provision.

“That provision only authorizes the governor to spend the difference between what is appropriated and the spending ceiling. We made it very clear that the governor cannot exceed the state’s spending ceiling," Peters said.

“The main thing we (House members) want to do is to make sure that the 510 teachers are rehired and our children are educated... Once we definitely know what Congress plans to do, then we will take the appropriate action.”

PETERS SAID it is premature to talk about a fall special session since “we do not have any idea what Congress intends to do.”

Wong also emphasized that the purpose of the special session is to correct “or so called ‘clerical errors’ in the budget” and re-adopt 17 other measures that are dependent upon the budget for enactment.

“This is not a second chance session for other bills,” Wong added.

He was referring to legislation killed by the Senate in April, but which was reintroduced today by the House. These items include:

—Extending the life of the Tax Review Commission for another six months beyond Jan. 1 with a budget of $400,000 instead of the $30,000 appropriated by the Legislature in April.

—Raising the interest rate of state bonds, set at 9.5 percent, to meet the current market demands. The governor and the House maintain that the state’s public works program will come to a screeching halt if the ceiling is not lifted.

—Continuing the state’s Comprehensive Employment and Training Act (SCET) which will cost another $3 million, but which House Speaker Henry Peters said will ensure jobs for nearly 500 of the state’s unemployed.

Wong said that the tax commission and the SCET bills will die in the Senate, but there is a remote possibility that the bond bill may be enacted.

PETERS AND the seven “minority” Senate Democrats, who challenged the leadership of Senate President Wong and lost, also wanted to use the summer legislative session as “a second chance” to try to move an executive and judicial pay raise through.

But that proposal was vetoed by the ruling Senate Democratic-Republican coalition, led by Democrat Wong and Republican Sen. D.G. “Andy” Anderson, 3rd Dist. (Windward Oahu).

Negotiations between House Speaker Peters and Senate President Wong on the session’s agenda broke off Tuesday, widening the split between the two political leaders who ended the regular 1981 session exchanging bitter words.

Unable to agree on the agenda of the special summer session of the Legislature, Peters Friday asked Ariyoshi to recall lawmakers to reconcile the differences between the House and Senate’s version of the budget. There is about $7.6 million discrepancy between the figures in the Senate budget when compared to the House version, although both bodies were supposed to have passed identical bills.

IN RECALLING lawmakers to the State Capitol, Ariyoshi said that he attempted “to give the Legislature the maximum leeway for legislators themselves to call the special session,” but because they did not take any action he was forced to act.

Peters said Wong broke off the negotiations when he failed to return any of the speaker’s phone calls after Tuesday’s meeting. Senate leaders, on the other hand, maintain the discrepancies, uncovered by House Finance Chairman Tony Kunimura, were made public only to embarrass the newly-forged Republican-Democratic coalition.

In the past, similar budgetary discrepancies were handled administratively, according to Senate leaders.
Threatened Jobs of Teachers Assured by Tentative Accord

Continued from Page One
Legislature will have another special session, probably in November, to decide on how to handle the shortfall and exceed the state's expenditure ceiling, according to Toguchi and Abercrombie.

Hawaii's congressional delegation is now trying to restore the federal impact aid funding or obtain an exemption for the state from the new funding formula.

Lacking that special state budgetary provision, Superintendent of Education Clark had said that as many as 510 teachers might have to be laid off next month.

The salaries of those teachers have been paid with the $13.8 million in federal funds, but the Department of Education now expects to lose this federal money, known as impact aid, or assistance to school districts providing education to children of military families and federal employees.

Clark said the agreement is a temporary solution, but Ariyoshi assured him that he is satisfied and has indicated that the Department of Education can proceed with regular plans for opening school in fall.

BOTH TOGUCHI, D-23rd Dist. (Hauula-Heeia); and Abercrombie, D-6th Dist. (Manoa-Waikiki), acknowledged that the solution reached yesterday was "simply to buy time until the Legislature gets a better picture of what Congress intends to do."

Joint hearings are planned by the House and Senate Education Committee "once the consequences are clear on what the congressional budget cuts mean to Hawaii's educational system," Abercrombie said.

Since its beginning in 1950, the federal impact aid program has been a controversial one. On the Mainland, some of the 3,900 school districts faced with the loss of federal impact aid are threatening to charge tuition for children from military families or deny them access to public schools.

School board chairman Yonamine rejected this idea at a news conference yesterday saying that it would be unconstitutional.

But Abercrombie and Toguchi said alternatives such as these now have to be fully explored since Congress is definitely going to reduce the amount of impact aid Hawaii will receive in the future.

"Perhaps, we should offer to sell the school facilities that are located on military bases, such as Fort Shafter or Hickam Air Force Base, back to the military and have it run the schools just like they do in Japan and other overseas installations," Toguchi said.

The DOE also operates public schools on Wheeler Air Force Base and at Schofield Barracks.
Assured by Tentative Deal

By Hildegaard Verploegen
and Gregg K. Kakesako
Star-Bulletin Writers

The threatened jobs of 510 Hawaii public schoolteachers—caused by proposed cutbacks in the state's share of federal impact aid funds—are assured for classes in September by a tentative agreement worked out between Gov. George Ariyoshi and state legislative leaders.

However, the agreement was made public before legislative leaders could inform their colleagues about it. And that has added another wrinkle to an already sensitive political issue and will probably delay the opening of the special summer legislative session until Monday at the earliest.

The agreement—drafted yesterday by House Education Chairman Charles Toguchi, Senate Education Chairman Neil Abercrombie and Ariyoshi for the agreement to hire as many teachers as the Department of Education needs this fall by accelerating the release of state budget funds.

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That provision in the new budget would give Ariyoshi some funding flexibility if federal impact aid funds are cut by Congress late this summer, and would allow him to authorize the Department of Education to proceed with hiring teachers for classes beginning in September.

If the $13.8 million in federal impact aid is lost to Hawaii, the state

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Key plan for schools may let lawmakers reconvene

By Jerry Burns and Robert W. Bone

The chairmen of the state House and Senate education committees yesterday came up with a proposal for handling a politically sensitive problem in education funding, a proposal that could allow a special session of the Legislature to begin this week.

In a signal that the session was about to get rolling, Senate President Richard Wong and House Speaker Henry Peters met jointly late yesterday with Gov. George Ariyoshi to talk about the proposal and clear the way for the extra-innings session.

Senate Education Chairman Neil Abercrombie and House Education Chairman Charles Toguchi worked out a scheme that would put off dealing with anticipated cutbacks in federal educational funds, allowing legislators to avoid the politically unpalatable step of breaching the constitutional spending limit.

Ariyoshi participated in the talks yesterday and indicated afterward he could accept the proposal.

Jim Williams, president of the Hawaii State Teachers Association, said he will live with the compromise, but warned that the HSTA does not intend to stand by while school programs are slashed and teachers are laid off. There will be no layoffs of teachers, he said.

Williams said the union will make sure the schools remain open with 100 percent staffing and 100 percent of their programs.

Leaders in both the House and Senate said yesterday they hoped to begin the session as early as tomorrow. That depends, however, on clearing the decks on the education question plus making the necessary technical arrangements for the session.

The formal reason for the special session is to clear up about a dozen technical defects in the construction budget which leave a cloud over its legality. The versions passed in "final form" by the House and Senate were not identical in those dozen instances.

That correction has to be made before the new state fiscal year begins July 1.

But since the lawmakers are coming back anyway, there has been pressure to open the session to other issues, particularly an expected cut of $13.8 million in federal funds designed to offset the cost of educating the children of military and federal families who presumably don't pay all local taxes.

Although a final decision on the "impact aid" won't be known until October, Superintendent of Education Charles Clark says he has to make decisions before the end of July about teacher hiring, school-year scheduling and the like.

The federal cutbacks would leave the state unable to hire about 510 teachers, Clark says.

Senate lawmakers, especially, have been reluctant to consider appropriating the extra $13 million or $14 million during the special session. They say it would hamper lobbying efforts in Congress to get the federal money restored and would put the state over the constitutional limit on spending.

Abercrombie and Toguchi met yesterday with Board of Education members, teachers' union officials and administration aides. Clark as well as Ariyoshi also joined the discussion.

The Abercrombie-Toguchi proposal is to put a proviso in the budget giving the governor authority to hire the full complement of teachers this summer and pay them by using money that is not supposed to be spent until later in the year.

That way, said Abercrombie and Toguchi, the Legislature can wait until Congress acts and the full extent of the federal cutbacks is known.

At that time (probably November), they said, they would be willing to come back into special session and tackle the problem of covering the shortage.

Ariyoshi has warned that under the existing budget he does not have the authority to release money for more than a quarter of the year at a time.

"We're just buying time until at a later date we know definitely what the federal government is going to do," said Toguchi.

Abercrombie acknowledged that the provision does not "guarantee" the dollars will be there either out of state coffers or from the federal government.

But he said a commitment to the Hawaii education system is involved.

"If the bottom line is jeopardizing the operation of our education system, we will have to put more money in," he said.

"Where education is in trouble, we'll have to do what is necessary — if it takes making up funds, we will do it."
Agreement on budget's details

After intervention by governor

By Jerry Burris
Advertiser Politics Editor

Hawaii's House and Senate leadership, prodded by the intervention of Gov. George Ariyoshi and an imposing logistical deadline, tentatively agreed on details of a two-year state budget last night.

Staffers were still writing specific language of the agreement, but both sides reportedly felt they had reached a compromise which will enable them to pass a new budget before the fiscal year begins Wednesday.

The negotiations have been over details of how to accommodate anticipated cuts in federal "impact aid" to the state school system.

Last night's meeting, which went until past 10 p.m., was held in Ariyoshi's office in the Capitol. The task was to develop specific language that would allow the school system to go ahead at full speed without violating legislative programs or powers.

Shortly before last night's meeting began, Congress signaled that the anticipated cuts in education money might not be as bad as some officials feared.

Even with that good news, however, a cloud remained and lawmakers said they had to come up with some contingency language pending final congressional action on the impact program that would have been worth $13.8 million to Hawaii this year.

That contingency language has to be signed, sealed and delivered by tonight or the special session of the 1981 Legislature which began Monday cannot finish its work before Wednesday — after the new fiscal year begins.

The "good news" was a report that the U.S. Senate, by a voice vote, increased to $500 million the amount of impact aid it is willing to authorize in the coming federal budget. That is double what the Senate had earlier threatened teachers while waiting for a final word from Washington. The money would come out of "savings," but would not mean immediate cuts in other state programs. The $8 million margin would be kept intact until, and only if, it became absolutely necessary to use it for education or even for other areas affected by the tightened Reagan budget.

Both the House and Senate are scheduled to meet late today — the Senate at 4 p.m. and the House at 4:30 p.m.

Assuming the language is agreed to, the Senate would pass a new $2.6 billion state budget with its version of the education proviso included.

That would go directly over to the House where, during its 4:30 p.m. meeting, it would disagree with the Senate plan.

The budget would then go into a House-Senate "conference committee" where the previously negotiated compromise language on education funding would be written in.

Then the budget would go back to the two houses where it would be "decked" for final passage.

The constitution says the budget must lay over 48 hours in final form before the last vote can be taken, but the weekend will satisfy that requirement.

On Monday, then, the plan would have lawmakers come back the final time to vote on the budget and send it to Ariyoshi who must sign it by midnight Tuesday.

Along the way the Legislature will have corrected about a dozen technical errors in the budget that prompted the special session in the first place. Those technical errors — disagreement in totals for construction funding between House and Senate versions — raised questions about whether it had legally passed both houses in final form.

And it appeared there was agreement to give the state at least temporary relief on a problem that threatens to halt its construction program. The state cannot legally pay more than 9.5 percent for its borrowed money while the going rate is around 10.5 percent.

The game plan as of last night was this:

Wong, House Speaker Henry Peters, Ariyoshi and others would work out language that would satisfy all concerned. It would allow the state to hire the 510 threatened teachers while waiting for a final word from Washington. The money would come out of "savings," but would not mean immediate cuts in other state programs. The $8 million margin would be kept intact until, and only if, it became absolutely necessary to use it for education or even for other areas affected by the tightened Reagan budget.

Under the original plan supported by the Reagan administration only about $250 million would be available for the program nationwide. Hawaii would have received none of the funds, which are designed to offset costs of educating military children and other federal dependents who presumably do not pay local taxes.

It was that original projection that shook up local school officials and prompted the moves to take care of the problem during this special session.

School Superintendent Charles Clark and Ariyoshi said that without the expected $13.8 million some 510 teachers could not be hired and the entire state school year would have to be reprogrammed and readjusted.

Lawmakers agreed, but their approach to the problem was different. The House wanted to give Ariyoshi the authority to hire the teachers and make up the dollars from wherever he can in the budget — cuts, savings and the roughly $8 million "margin" left between what the regular appropriation is and the limit of the state spending ceiling.

Originally, the House was even willing to appropriate the $13.8 million straight out.

The Senate wanted to tell Ariyoshi to go ahead and hire and, if and when the federal cuts actually happen, make decisions then about how to make up the money.

The Senate specifically did not want Ariyoshi to have unilateral power to use the $8 million margin. And it wanted to be brought in on the decision-making when and if cuts or adjustments had to be made.

The Senate has argued all along that the status of the federal money was uncertain and no final decisions should be made locally until the issue had been resolved.

"Apparently our crystal ball was a little bit better than the governor's," Senate President Richard Wong said last night.

Nonetheless, Wong said, some kind of provisional language will still be necessary.

An editorial:
"Ending the session"
on Page A-20

TheAdvertiserPolitics Editor

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$100 tax credit due residents

Gov. George Ariyoshi yesterday, signed into law a bill which provides for a one-time $100 tax credit. The governor also signed bills which increase the renters tax credit for qualified taxpayers, and which increase the child care tax credit.

The governor can use the aloha which those tax breaks will generate, because members of senior citizens’ groups are angry with him for saying he intends to veto a bill which would have increased the tax credit given to taxpayers to offset the money they spend on the 4 percent excise tax on food and drugs.

THAT BILL would have increased the credit which could be claimed by lower income persons fourfold.

Yesterday State House Republicans tried to get the House to reconsider the bill during the current special session, but House Speaker Henry Peters denied the request for constitutional reasons.

There are indications the state’s money situation will not allow a repeat next year of the one-time, $100-per-resident tax credit.

State budget watchers say tax revenues are declining, and the surplus that looked so large last year is evaporating. Increasing spending demands are expected to hasten the shrinkage, say budget analysts.
Planning under way for special session

Planning for a special session of the 1981 Legislature started yesterday amid growing sentiment that the session's business be kept within bounds.

The special session is needed because of a legal technicality with the state budget: the House and Senate did not pass exactly the same version. That leaves the entire budget — and all other spending bills — subject to legal challenge.

The House leadership met with Gov. George Ariyoshi yesterday, presumably to talk about the upcoming session. Similar talks will be needed between the House and Senate, and between the governor and Senate leadership.

House Speaker Henry Peters has said he does not believe there should be any restrictions on what is considered during the minimum five-day session to be held this month.

But staffers for Senate President Richard Wong said he believes the agenda should be kept to a minimum: the Legislature should repair the technical defect, re-pass the budget and other spending bills, and then go home.

Similar thoughts were expressed by House GOP leader Kina'u Kamali'i.

"Parameters must be set before we go into special session," she said. "I want guidelines drawn up before we go in."

Kamali'i said she doesn't want to see the extra session be open-ended. She acknowledged there is concern that the Legislature may have to find money to cover cuts in federal spending under the Reagan administration.

But the details of those cuts won't be known until the special session has come and gone, she said.

"I wish the session could be later after we know definitely the cuts of the Reagan budget, because I feel we will have to come back for that also," she said.

One possibility, Kamali'i said, would be to "recess" the special session pending final word on the Reagan budget. Then the lawmakers could come back and make up what cuts they wish.
House Leader Is Prepared to Drop Pay Increase Issue

By Gregg K. Kakesako
Star-Bulletin Writer

House Speaker Henry Peters last night said that he is willing to abandon his desire to reopen a heated issue over salary increases for state administrators, if necessary, since passage of the state budget before the new fiscal year begins July 1 is the most important thing facing the special legislative session.

“We’re not going to have to break the new fiscal year,” said Peters, D-21st Dist. (Waianae-Ewa Beach).

House Majority Leader Dennis Yamada, D-27th Dist. (Kauai-Niiloaihau), said that he has been four weeks since the regular session of the Legislature ended and lawmakers now have the opportunity “to look at each individual bill and decide which has enough merit to be taken up” in a special session.

“All we are saying at this point is let’s explore the issues,” Yamada said.

“Before we’re not going to be unreasonable and say it has to be our way or nothing,” Peters added.

HOUSE AND Senate leaders continued to meet throughout today trying to establish the ground rules governing the special five-day legislative session which could begin as early as Monday.

Wong, D-5th Dist. (Urban Oahu), and Senate Democratic Majority Leader Joseph Kuroda, D-4th Dist. (Leeward Oahu-North Shore), yesterday told reporters after a two-hour caucus that the pay bills will not be discussed during the special session.

“Occasionally, it is a dead issue with me and I’m sure my position will be maintained by the caucus,” Wong said.

Other Democratic senators added that if Wong agrees to the House’s demands to include the executive and judicial salary measures and other bills to the special session’s agenda, then there won’t be the two-thirds vote needed to convene the special session.

Restoration of contemplated federal cuts to the state’s educational impact aid program is another important issue that should be discussed.

But Wong and Republican leader Kamall said the Legislature should wait until the state gets a clearer picture of what the cuts actually mean to Hawaii before taking any action.

At that point the governor could call us back into a special session if it’s really necessary, Wong added.

Superintendent of Education Charles Clark already has said that the loss of $5.3 million will mean that 310 tenured teachers will not be rehired this year because of changes in the formula appropriating the federal school aid funds.

The “technical errors” in the state budget bill were uncovered by House Finance Chairman Tony Kunimura, D-27th Dist. (Kauai-Niiloaihau).

BUT ACTING Republican Party Chairman Obie Olson believes that House Democrats found the “technical error” just as an excuse to try to find another opportunity to meet and approve the controversial executive and judicial salary bills.

Similar sentiments were expressed by Bud Shasteen, president of the Hawaii Taxpayers Union.

University of Hawaii administrators, state judges and 200 other non-union state workers, prolonging the life of the Tax Review Commission and funding of the state’s program to hire the unemployed.

ALL OF THESE bills were struck down by the Senate during the regular session which ended four weeks ago with a sharp rift between Senate President Wong and House Speaker Peters. Bitter words were exchanged between the two Democrats after the Senate voted down the pay bills.

A joint House-Senate conference committee had agreed to a compromise salary increase amounting to 18 percent.

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Wong and Democratic leader Kamall said the Legislature should wait until the state gets a clearer picture of what the cuts actually mean to Hawaii before taking any action.

At that point the governor could call us back into a special session if it’s really necessary, Wong added.

Superintendent of Education Charles Clark already has said that the loss of $5.3 million will mean that 310 tenured teachers will not be rehired this year because of changes in the formula appropriating the federal school aid funds.

The “technical errors” in the state budget bill were uncovered by House Finance Chairman Tony Kunimura, D-27th Dist. (Kauai-Niiloaihau).

BUT ACTING Republican Party Chairman Obie Olson believes that House Democrats found the “technical error” just as an excuse to try to find another opportunity to meet and approve the controversial executive and judicial salary bills.

Similar sentiments were expressed by Bud Shasteen, president of the Hawaii Taxpayers Union.
AG's budget ruling makes special session necessary

Members of the Hawai'i State Legislature may have thought they were going home for the year when they adjourned in April, but that's not the way it's going to be. Gov. George Ariyoshi says there will have to be a special session of the Legislature to reconsider the state budget, and House Speaker Henry Peters and Senate President Richard Wong have indicated that they will go along with the Governor.

Gov. Ariyoshi made the announcement yesterday after receiving an opinion signed by Attorney General Tany Hong which said that the new state budget just passed by the legislature probably couldn't stand up to a court challenge.

The state Constitution requires the House and the Senate to pass identical versions of the bill, but the two houses inadvertently passed versions which differ by over $3 million. Ariyoshi says that roughly 15 other appropriations bills will have to be reconsidered as well.

No date has been set for the special session but Ariyoshi says a valid budget better be signed into law before July 1, when the new fiscal year starts.

The special session promises to be a lively one, even though the governor insists he will not force the legislature to take up some of his bills which didn't pass in the regular session such as the executive pay raise bill.

House Speaker Peters, however, notes that there's no legal limit on what the legislature can take up when it reconvenes.
United States Senate
COMMITTEE ON APPROPRIATIONS
WASHINGTON, D.C. 20510
The state House this morning unanimously passed a corrected version of the state's $2.6-billion budget bill and nearly two dozen other related measures.

The budget bill was immediately transferred to the state Senate where lawmakers were to meet in an evening session to amend it to address the problem involving loss of federal impact aid and the jobs 510 teachers.

The leaders of the Senate coalition of Republicans and Democrats said negotiations are continuing on the amendment and at this point they say the governor appears to be willing to accept the language of their budget provision which has been the major source of disagreement between the House and Senate.

But unless the House agrees to the Senate amendments on the problem of retaining the teachers, Senate President Richard S.H. Wong yesterday said: "It's pretty clear that the session will go over the five days that was originally planned."

Wong, D-5th Dist. (Urban Oahu), explained that the Senate made the amendment because it doesn't like the budget proviso language the House put in to cover the federal impact aid problem, which Congress may cut or eliminate later this year.

A HOUSE-SENATE budget conference committee may have to be convened Friday to draft compromise language because House Speaker Henry Peters believes the Senate's amendment is "ill conceived, ill advised and completely unsatisfactory at this point."

"What they (senators) are proposi-
Continued from Page One

...ing will result in a drastic cutback or termination of existing programs," said Peters, D-21st Dist. (Wai'anae-Ewa Beach).

The summer session’s budget battle centers on the anticipated cutback of federal impact aid funds which could lead to the firing of 510 tenured teachers.

The House wants to give the governor the authority to use whatever surplus funds there are in the budget to hire a full complement of teachers as long as the governor does not exceed the state’s spending ceiling.

But Senate Education Chairman Neil Abercrombie said the House’s amendment would mean “the abdication of proper legislative power.”

SENATE PRESIDENT Wong added that the House language, drafted by the Ariyoshi administration, is unacceptable because “it would use up all available funds, severely restrict the future options of the Legislature in making appropriation decisions and be an unwarranted abdication of legislative responsibility to the executive.”

Abercrombie, D-6th Dist. (Manoa-Waikiki) said the amendment, which Senate Ways and Means Chairman Mamoru Yamasaki yesterday personally presented to Ariyoshi, would strengthen the authority the governor already has to advance money from the general funds to hire a full complement of teachers.

Under the language of the Senate amendment, Ariyoshi would be required to file a report with the Legislature Dec. 1 on the impact of the Reagan budget cuts and his course of action to cover the federal shortfall.

By then the state will have a better picture of what other federal services will be cut and a fall special legislative session could be convened to handle all these problems, according to Senate coalition leaders.

HOWEVER, HOUSE Speaker Peters and Ariyoshi maintain that such a move would be illegal without a specific authorization by the Legislature to override the state’s spending ceiling.

Meanwhile, Peters and other Democratic leaders said the current special session should not be used to consider ways to correct the general excise tax bill vetoed by Ariyoshi on Monday.

The vetoed House bill was supposed to return about $42 million—the amount the state estimates a person annually dishes out for the 4 percent food and drug tax. Ariyoshi said the House bill, which would have quadrupled the general excise tax credits for elderly and low-income wage earners, did not treat all taxpayers equitably.

The governor said he preferred the enactment of a permanent $50 tax credit—a measure rejected by lawmakers during the regular session—since that is equivalent to what each person annually doles out in food and drug taxes.

ARIYOSHI’S VETO raised howls of protests from leaders of the Koa-kua Council for Senior Citizens, who met with Ariyoshi to protest his action, and resulted in an unsuccessful move by House Republican Leader Kina’u Kamali‘i to override the governor’s veto.

Kamali‘i’s actions were described as “a cheap shot” by House Finance Chairman Tony Kunimura.

But Sen. Benjamin Cayetano, former Senate Ways and Means Committee chairman, yesterday described Ariyoshi’s veto as “a very courageous move given all the pressures that he (Ariyoshi) was under.”

Without the veto, Cayetano, D-4th Dist. (Leeward Oahu-North Shore), said the state would have incurred a deficit amounting to as high as $30.2 million at the beginning of the 1983 fiscal year.

“The this cash flow problem which the House should be thinking about,” Cayetano added.

DURING YESTERDAY’S nearly day-long House session, Kamali‘i, R-11th Dist. (Aila Moana-Waikiki), repeatedly was overruled by Peters, who was backed by the 34-member Democratic majority. However, on one occasion Big Island Democrat Andrew Levin bolted from the majority and voted with Kamali‘i’s GOP caucus.
But Ariyoshi said a "disproportionate" amount of taxes would be returned to those in the lower income group and to the elderly, less to middle-income and higher wage earners.

Representatives of the Kokua Council for Senior Citizens and other senior citizens were not happy with Ariyoshi's veto. After meeting with the governor at his request yesterday, the mood of the group was described as "bitter."

The governor suggested that something along the lines of his proposal for a permanent $50-per-person tax credit would be acceptable because that is roughly the amount each person pays in taxes on essential food and drugs.

House Republicans were ready yesterday to offer a new bill, one that eliminated the 4 percent tax on food and drugs (although not the tax on tobacco and liquor), but Peters repeatedly overruled Minority Leader Kina'u Boyd Kamali'i's motions to take up the matter.

"I hope that there are some people on the other side who feel some responsibility," Kamali'i said as the minority attempted to bring the bill up for consideration. "We need some tax relief."

On one procedural vote, Republicans won over Island Democrat Andrew Levin, a strong supporter of the general excise tax credit bill. But the majority Democrats overwhelmed the minority and backed each ruling by Peters that Kamali'i was out of order.

Meanwhile Gov. George Ariyoshi said he does not object to the Legislature reconsidering a tax-break bill, but in a form different from the one he vetoed Monday.

The bill to quadruple general excise tax credits for low-income wage earners was vetoed, Ariyoshi said, because it did not treat taxpayers equitably.

The measure would have returned between $45 million and $55 million by increasing excise tax credits against income taxes across-the-board. The credit was enacted to offset the 4 percent tax on food and drugs.

"I hope that there are some people on the other side who feel some responsibility," Kamali'i said as the minority attempted to bring the bill up for consideration. "We need some tax relief."

On one procedural vote, Republicans won over Island Democrat Andrew Levin, a strong supporter of the general excise tax credit bill. But the majority Democrats overwhelmed the minority and backed each ruling by Peters that Kamali'i was out of order.

The House speaker said later that the Democrats support the idea of excise tax relief, but it was not something to be taken up hastily.

Lawmakers should get a chance to look at the vetoed bill carefully, decide if the governor's objections have merit and pick the procedural route they want to take, Peters said.

Among the options are to consider the matter later this year in special session or next year by reconsidering the bill and amending it to relieve the governor's concerns or to override the veto.
It's official: Session
Ariyoshi calls together

By Jerry Burris
Advertiser Politics Editor

Gov. George Ariyoshi has summoned the 1981 Hawaii Legislature into special session at 9 a.m. Monday even though the House and Senate have not yet agreed on what budget items should be considered.

Ariyoshi acted, he said, because the lawmakers “have not taken any action” to call themselves into session and the new budget year is fast approaching.

House Speaker Henry Peters said he was ready to get to work but the Senate, with a Monday morning caucus of its own already on the schedule, was less certain.

The session's main task is to correct about a dozen discrepancies between House and Senate versions of the budget which raise questions about the legality of all money bills.

The deadlock between House and Senate that caused the governor to step in has to do with issues other than those 12 “technical” problems.

All week long staff members from both sides, along with Ariyoshi's representatives, have been working on proviso language that would get the state around a serious school budget problem.

There is a good chance federal “impact aid” to Hawaii's school system could be eliminated this coming year, thus costing the state $13.8 million and as many as 510 teacher positions.

While both House and Senate agree that the governor should be given the flexibility to hire the full complement of teachers pending final action by Congress on the impact aid, they differ on exactly how that should be accomplished.

The staff negotiations have been over the precise wording of a proviso that would give the administration the necessary hiring flexibility while at the same time not pushing the budget against the politically important constitutional limit on state spending.

Peters said that so far as he was concerned, those talks have broken down.

“We have not been in communication with the Senate,” he said. “They have not returned our calls. Communications have broken off.”

Senate President Richard Wong was on Kauai yesterday and unavailable for com-

Continued Over
a divided Legislature

ment. But Senate staffers said as far as they were concerned negotiations on the proviso language were continuing.

Beyond the technical errors and the specifics of the education budget, there are at least three other potential items for the special session subject to House-Senate negotiation.

Those are refunding the state SCET jobs training program for another year; extending the life of a citizen tax review commission; and raising the legal limit on the amount the state can pay for borrowed construction dollars.

Moves to increase pay for administration officials have apparently been set aside.

Since there was no resolution of negotiations with the Senate, Peters said, he considers all the extra items fair game for the session. The Senate's position has been against bringing up those matters.

"As far as I'm concerned, I always looked at this special session as a second chance," he said.

Expectations were that the special session would be largely pro forma and run a minimum of five days. However, if the House and Senate cannot come to agreement, it's possible the session could run longer.

The outside deadline is July 1, the start of the new fiscal year and the date by which Ariyoshi said he must have a budget "to take care of the state's business."

To clear the decks for the special session, Ariyoshi yesterday vetoed the earlier version of the new state budget and 18 related money bills.

He vetoed them, Ariyoshi said, not because he finds the content or intent objectionable but because the bills are legally clouded.

There were discrepancies in totals for construction funding between the versions passed by the House and Senate. Consequently, it is not certain that the budget passed in final form in both houses.

The other money bills were vetoed because until a budget is enacted, the Legislature is not supposed to pass other spending measures. Those bills range from relatively small amounts for such things as a silver jubilee statehood celebration and funding for the Office of Hawaiian Affairs through more than $130 million in wage increases for unionized government workers.
Legislative session's under way—to where?

By Jerry Burris
Advertiser Politics Editor

The special session of the 1981 Hawaii Legislature is under way, with lawmakers far from certain what it is they intend to do.

With one day down, the House and Senate are in substantial disagreement over how they will bail the school system out of a pending financial crunch.

And the two sides also were arguing about other potential items for the legislative agenda, such as whether to let the state pay more for its borrowed construction money.

Senate President Richard Wong predicted late yesterday that, because of the disagreements, it was likely the session would go beyond the hoped-for minimum five days.

The key deadline for the 76 lawmakers is a week from today, June 30. That's because the new state fiscal year begins July 1 and Gov. George Ariyoshi says he must have a budget by that date.

The big argument between the two sides has to do with the wording of a proviso that will allow the state school system to open this fall with a full complement of teachers.

Schools Superintendent Charles Clark, Ariyoshi and many lawmakers believe that the school budget will come up about $13.8 million short because Congress is expected to cut federal "impact aid" funding.

That shortfall translates into about 510 teaching positions and, if not made up somehow, would require a drastic restructuring of the already planned school year.

The special session was called primarily to correct about a dozen "technical errors" that cloud the legality of the new two-year $2.6 billion state budget.

But Ariyoshi saw the reconvening as an ideal chance to take up the serious money problem faced by the school department.

Wong charged yesterday that the House "unilaterally" stuck in language developed by Ariyoshi's budget department that is unacceptable to the Senate.

"The way it sits, I'm not satisfied with it," Wong said.

"If they send it over (to the Senate) that way, we're going to have problems with it. Their strategy seems to be take it or leave it. Our strategy will be to send it back."

The Senate objections seem to cen-
Lawmakers are going — somewhere

from page one

It says, in essence, that if the federal dollars come up short, he can take money from elsewhere in the budget, from savings or from unappropriated amounts to make up the difference.

And it says he must do so without going beyond the constitutional limit on state spending for the coming financial year.

The Senate wants a proviso that would simply assure the governor he had the legal right to hire the full complement of teachers. And, if the money should come up short, it would be the Legislature's responsibility to deal with the problem.

"From a standpoint of political reality, I can't see us in January telling 510 teachers you're out of a job," Wong said.

House Speaker Henry Peters said, meanwhile, that he believes the proviso language is adequate and meets the needs of both the Legislature and the governor.

The important thing, he said, is to get a budget and the other spending bills passed before the new fiscal year begins.

"Time is of the essence," he said.

But the Senate leadership was also unhappy that the House introduced two other bills which the Senate side thought were dead issues for this special session.

One extends the life of a citizen tax review commission until 1983 and another gives the state jobs-training program a $3 million one-year extension.

Another new bill introduced in the House raises the amount of interest the state can pay for its borrowed money from today's legal limit of 9.5 percent to 12 percent. State officials say the entire administration construction program may soon come to a halt because they cannot borrow money at today's high-interest money market.

The hike in the allowable interest rates should get by the Senate if the other issues can be resolved.

All told, 20 bills were introduced in the House yesterday and four in the Senate.

Most of them were identical repeats of spending bills passed during the regular session.

But because of the legal cloud over the budget, the other money bills were also clouded. No spending bill is supposed to pass the Legislature until lawmakers have approved a budget.

House and Senate money committees held pro forma public hearings on the bills yesterday afternoon to get them moving on their legislative course.
Legislative Split Keeps

By Gregg K. Kakosako
Star Bulletin Writer

Backtracking on the feuding cont-
tact the State Capitol today as
ators went into the second day
ir special summer session
was convened to correct
cal errors" in the state budget
find a way to keep 510 teach-
the Department of Educa-
pay roll.

However, differences about the
may force legislators to work
up to next Tuesday's deadline
the possibility that Gov. George
Ariyoshi could start the new fiscal
year without a budget.

Lawmakers have until July 1 —
the start of the new fiscal year — to
settle their differences and approve
Hawaii's new $2.6 billion budget and
nearly two dozen other related
spending measures.

THEY ARE STILL at odds as to
how they plan to retain 510 tenured
teachers who could be laid off in
September because of the potential
lost of $13.8 million in federal impact
aid funds.

There federal program is now
under going a review in Congress
and the state Senate believes the
Legislature should wait until the
congressional examination is com-
plete before appropriating state
funds to cover the anticipated short-
fall.

If necessary, a fall legislative ses-
sion could be convened to dole out
state funds to cover the reduction in
the federal impact aid program or
any other cuts made by Congress,
Senate Democratic-Republican coalit-
ion leaders said yesterday.

House Speaker Henry Peters, how-
ever, said it is "rather presumptu-
ous" for any lawmaker at this point
to talk about a special fall session
until the full ramifications of Presi-
dent Reagan's budget cuts are
known.

THE HOUSE WANTS to give Gov.
George Ariyoshi the authority to use
whatever surplus funds there are in
the budget to hire a full complement
of teachers as long as the governor
does not exceed the state's spending
ceiling.

But the Senate believes that
Ariyoshi should simply accelerate
the allocation of state funds and pay

Budget in Air

for teachers' salaries from the De-
partment of Education's third- and
fourth-quarter appropriations.

Both the House and Ariyoshi main-
tain that such a move would be ille-
gal without a specific authorization
by the Legislature to override the
state's spending ceiling.

At an informal news conference
yesterday, Ariyoshi said, "If they
(legislators') want me to exceed the
spending ceiling, then they have to
say that... so I can get some clear
direction of what they expect of
me."

THAT POSITION was immedi-
ately rejected by Senate President
Richard S.H. Wong, D-5th Dist.
(Urban Oahu), who said the Senate
will stay under the ceiling.

Lawmakers had hoped to draft a
compromise budget provision before
the session started, thus freeing this
week's session of any dissension.

But negotiations between Wong
and Peters broke down last week.
Unable to resume his talks with
Wong, Peters, D-21st Dist. (Waimana-
Ewa Beach), said he had no other

Turn to Page A-3, Col. 1
House, Senate Still Far Apart

Continued from Page One

choice except to introduce the bills that reflect the House's position.

Ariyoshi, at his news conference yesterday, said he flatly rejected the Senate's budget proposal last Tuesday and informed Wong of his decision.

Because he needs the new budget by July 1, Ariyoshi said he was forced to recall lawmakers when it became apparent Friday that legislators would be unable to resolve their differences and convene the special summer session on their own.

YESTERDAY, WONG told reporters that he “resented” Peters saying there had been no communication between the House and Senate and that Peters was forced to ask Ariyoshi to convene the special session.

“I really resent the speaker running to the governor saying the sky is falling,” Wong said.

The discrepancies, amounting to $7.6 million between the House and Senate's version of the state budget, were caused by the Legislature, Wong said.

“It was our responsibility to call ourselves back into session to correct those deficiencies and pass the other bills that are related to the budget.

“This is not a second-chance session and no other bills will be taken up,” he said.

UNLESS THE House rewrites the budget provision, the Senate will have no other choice than to amend the budget bill, Wong said.

This would force the convening of a special House-Senate budget conference committee on Friday and the extension of the session into next week.

Yesterday, the House Finance Committee, led by Kauai Democrat Tony Kunimura, reaffirmed the House’s position and approved the budget bill without any amendments for a floor vote tomorrow.

After the House hearing, Senate Ways and Means Chairman Mamoru Yamashita, D-2nd Dist. (Mau), said his committee will probably rewrite the budget bill to reflect the Senate’s position.

DURING THE House Finance Committee's hearing on the budget, Minority Leader Kina'u Kamali'i, R-11th Dist. (Ala Moana-Waikiki), asked Kunimura if it were possible for his committee to change the provision specifically to appropriate the anticipated loss of $13.8 million in federal impact aid funds.

“Then is what the House wanted to do,” said Kunimura, D-27th Dist. (Kauai-Ni‘ihau), “We wanted a clean appropriation, but they (the senators) said no.”

Later during the hearing, Kunimura told Rep. Barbara Marumoto, R-8th Dist. (Diamond Head-Aina Haina), “If we give them (senators) the pride of authorship in amending the bill, that’s all right — the world will know who was right.

“If we should amend the bill here and send it to the Senate . . . then we would be responsible for further delays.” The House Finance Committee also approved another bill that would raise the amount of interest the state can pay for its borrowed money from 9.5 per cent to 12 per cent.

Without the change, Ariyoshi and other state officials said the administration's public works program will come to a halt.
State House Speaker Drops Hopes for Pay-Increase Bill

By Gregg K. Kakesako
Star-Bulletin Writer

Faced with mounting resistance from the controlling coalition in the state Senate, House Speaker Henry Peters last night said he will no longer insist that the controversial executive and judicial pay bills be on the agenda of the special session tentative scheduled to begin sometime next week.

Peters, D-21st Dist. (Waianae-Ewa Beach), said he abandoned his desire to reopen the heated pay issue because "it's quite clear the Senate coalition is very adamantly against it."

The 39 members of the House Democratic caucus were informed of Peters' decision last night.

However, Peters said he wants the Senate, led by President Richard S.H. Wong, Democrat, and Republican coalition leader D.G. "Andy" Anderson, to consider adding five other items to the special five-day session which will be held mainly to reconcile differences between the House and Senate versions of the state's $2.6 billion budget.

The special five-day legislative session, which will cost about $5,000, also will be held to correct errors in a bill authorizing the sale of state bonds and nearly two dozen other measures dependent on passage of the budget bill.

Peters said the five items which he wants the session to consider are measures:

—REPLACING the anticipated $13.8 million loss in federal educational funds which could mean the layoff of 510 tenured teachers in September.
—Extending the life of the Tax Review Commission for another six months beyond Jan. 1 with a budget of $400,000 instead of $30,000 appropriated by the Legislature in April.
—Raising the bond interest rate ceiling from the current ceiling of 8.5 percent.
—Continued funding of the state's Comprehensive Employment and Training Act (SCET), which will cost another $3 million, but which Peters said will ensure jobs for nearly 500 of the state's unemployed.
—Several other "minor adjustments" in the state budget involving the appropriation of $250,000 to the Hawaii Visitors Bureau for an accelerated visitor promotion program.

Peters said he believes that the five items requested by the House leadership are "reasonable."

The reaction from the Senate was quick and predictable.

Senate President Wong late last night said that passage of the any of

Continued Over
Continued from Page One

the items mentioned by Peters would mean lifting the state’s new spending ceiling — an action that takes approval of two-thirds of the membership of the Senate.

“The problem is that the Senate’s position has been that it will live within the intent and mandates of the ceiling imposed by the state constitution,” said Wong.

“Politically, that’s a very tough decision. But it was made in adherence to what the people of this state want... and it is the Senate’s position to maintain that political mandate.”

But Senate Education Chairman Neil Abercrombie, D-6th Dist. (Manoa-Waikiki), was more specific.

On the need to convene a special session to restore the $13.8 million in federal impact educational funds, Abercrombie said: “It doesn’t make sense for Hawaii to ask Congress for an exemption from the new formula it is contemplating if the Hawaii State Legislature has appropriated funds to cover the lost federal dollars.”

Abercrombie, who will attend a West Coast educational seminar later this month on this problem, was referring to the proposed new federal impact aid program which, if enacted by Congress, would mean a loss of $13.8 million and 510 tenured teachers, according to Superintendent of Education Charles Clark.

The impact aid is a federal subsidy to the state to help defray the cost of educating children of the military and federal workers. The money is deposited in the Department of Education’s general fund and used to pay the salaries of all Island teachers.

Abercrombie said the state is seeking an exemption from the new formula and the Legislature should not take any action to jeopardize that possibility.

In addition, Abercrombie added: “We will, by taking the issue up at a special session, devastate any other jurisdiction which is fighting for the same exemption.”

Both Abercrombie and Wong rejected the suggestion by U.S. Sen. Daniel Inouye that the Legislature in a special session contemplate the possibility of decentralizing the state unified school system.

Wong said that such an action by the Legislature would be “an immense step backwards.”

ABERCROMBIE added that many

Mainland states are considering modeling their school system after Hawaii’s centralized system which combines the state’s educational system under one authority.

Meanwhile, Gov. George Ariyoshi said 510 teachers definitely will be without a job in September unless the Legislature finds money to keep them on the payroll.

The governor said he doesn’t have the authorization within the existing budget to take care of the potential teacher unemployment problem.

But Wong and other senators questioned what, if any, is Ariyoshi’s solution or recommendation to the problem. “We don’t know how the governor believes the problem should be solved,” Wong said.

Ariyoshi also disclosed that his administration’s examination of the state’s $2.6 billion budget, scheduled to take effect July 1, also contains errors other than those revealed earlier by House Finance Chairman Tony Kunimura, D-27th Dist. (Kauai-Nihoa).

Kunimura said there were discrepancies in the Senate’s version of the budget amounting to $3.4 million in educational and water transportation projects despite the fact that both the House and Senate were supposed to have passed identical bills.

The state Department of Budget and Finance uncovered another $4.2 million difference between the Senate and House versions of the budget in 10 other items.

Both Ariyoshi and legislative leaders now say that a special session must be held before the new fiscal year begins on July 1.

The 39-member House Democratic caucus, led by Speaker Peters, had wanted the option of considering other bills such as legislation raising the salaries of Ariyoshi, his cabinet, University of Hawaii administrators, state judges and 200 other non-union state workers, prolonging the life of the Tax Review Commission and funding of the state’s program to hire the unemployed.

All of these bills were rejected by the Senate during the regular session which ended four weeks ago with a bitter feud between Wong and Peters.
Tuition May Be Charged Military Dependents

Impact Aid Budget Cuts Draw Threats

By Mike Connolly
Gannett News Service

WASHINGTON — The Senate Armed Services Committee pledged yesterday it would "find the money somewhere" to prevent financially strapped school districts from forcing the children of military personnel to pay tuition.

The problem before the committee, however, is where to find the money as the Senate prepares to vote — perhaps as early as today — on budget cuts that spokesmen for school districts say would cripple their programs.

"It's not just a matter of what we're committed to do, but what we can accomplish on the Senate floor," said committee chairman Sen. John Tower, R-Texas. "We can't even prescribe a short-term solution at this point."

At stake is whether local schools, faced with a possible loss of as much as $600 million in 1982, can continue educating the children of servicemen without resorting to increasing local taxes or charging tuition.

Last year the federal government spent about $800 million in so-called "impact aid" to compensate local schools for educating children whose parents live or work on untaxable federal property, such as military installations, or trust properties, such as an Indian reservation.

President Reagan, like every president since Dwight D. Eisenhower, wanted to cut the impact aid program, but his proposals have met with differing levels of success in the House and Senate.

The Reagan plan would have eliminated any federal subsidies for military children who lived off-base. In addition, subsidies for educating children who lived on-base or on-reservation would have been sharply cut back.

Hawaii received about $16 million in impact aid during 1981, a spokesman for Rep. Cecil Heftel, D-Hawaii, said yesterday. Funding was roughly divided between $12 million for "on-base" students and about $4 million for "off-base" students.

Many Mainland school districts, faced with enormous deficits, have threatened to charge tuition for educating military dependents if their funding is cut for the 1981-82 school year.

State legislatures in Texas, Virginia and North Carolina have responded by freeing their local authorities to charge tuition while local authorities in North Carolina, New York and Delaware say that existing state law allows them to impose a tuition.

"The DOD views these actions by states and localities as an attempt to hold military personnel hostage in their efforts to resist the proposed reductions in impact aid," Assistant Secretary Lawrence J. Korb said.

"The DOD urges the passage of legislation prohibiting states and localities from charging tuition."

The defense department's request apparently will be ignored by the committee. With the budget vote looming so close, it appears to have few short-term options other than using the defense department's budget to fund a scaled-down version of the impact aid program at about $500 million.

Sen. John Warner, R-Va., who proposed putting the impact aid program into the defense budget, did so reluctantly. "We shouldn't be putting impact aid against vital DOD programs...but the hour is very late," he said.

In testimony before the committee, the Department of Defense objected to such threats.

"The Department of Defense views these actions by states and localities as an attempt to hold military personnel hostage in their efforts to resist the proposed reductions in impact aid," Assistant Secretary Lawrence J. Korb said.

"The DOD urges the passage of legislation prohibiting states and localities from charging tuition."

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United States Senate
COMMITTEE ON APPROPRIATIONS
WASHINGTON, D.C. 20510
Ariyoshi, Legislators Hunt an End to Budget Deadlock

Gov. George Ariyoshi today continued discussions with the leaders of the state Senate coalition in an attempt to break the deadlock between the House and Senate on the state's $2.6 billion budget. After a closed-door meeting with coalition leaders this morning, Ariyoshi said the only agreement reached was to continue to discuss the problem which involves the jobs of 510 teachers. Also meeting with Senate leaders were state Budget Director Jensen Hee and Superintendent of Education Charles Clark.

Ariyoshi convened the special session last Friday so lawmakers could correct more than a dozen clerical errors, uncovered by House Finance Chairman Tony Kunimura, in the state's two-year budget, and re-adopt 17 related appropriation measures.

Also included in the budget, adopted unanimously by the House yesterday, is a provision which would authorize the governor to use surplus funds in the budget to retain 510 tenured teachers who could lose their jobs if Congress makes good its threat to reduce the state's share of federal impact aid funds.

BUT THE SENATE disagreed with the language of the House budget provision and amended the bill last night, a move that will prolong the session until early next week.

Ariyoshi Caucuses with Coalition

Continued from Page One

the new fiscal year.

Richard S.H. Wong, the House has
approved $2 million to continue the state's Comprehensive Employment and Training Act (SCET) - which House Speaker Peters said will ensure jobs for nearly 500 of the state's unemployed.

The Senate, however, did accept, with a few changes, another House bill that would raise from 9.5 percent to 12 percent the interest the state is allowed to pay on the money it borrows for public works projects.

Senate Ways and Means Commit-tee chairman Mamaru Yamasaki, D-2nd Dist. (Maui), amended the House bill by allowing the 12 percent interest rate to remain until March 31, 1982.

Senate Republican coalition leader D.G. "Andy" Anderson, 3rd Dist. (Windward Oahu), said the Legislature will be in session again at that time and a decision whether to retain the higher rate can be made then.

THE ARIYOSHI administration originally wanted the Legislature to remove the ceiling, but later said it would be willing to accept the House bill.

The governor has said the state's public works program will come to a "screeching halt" unless the Legislature lifts the 9.5 percent interest cap because the current rate on the Mainland bond market is about 10.5 percent.

The decision was reached after the Senate met behind closed doors yesterday and was briefed by state Budget Director Hee on the status of the state's construction program and the bond problem.

There now is the possibility that Ariyoshi could start the new fiscal year, which will begin Wednesday, without a budget because House Speaker Henry Peters is unhappy with the Senate's amendments.

According to Senate President Richard S.H. Wong, the House has rejected the Senate's budget amendment, raising the possibility that a House-Senate budget conference committee may have to be convened tomorrow.

At this point, further amendments to the budget bill only will extend the final debate and floor votes in both houses beyond the beginning of the 1983 legislature.

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State House speaker rips

By Sandra S. Oshiro
Advertiser Government Bureau

In this week’s second attack on the Senate bipartisan coalition, House Speaker Henry Peters said the prevailing mood in the Senate is one of “me, me, me, which is rather selfish.”

Peters, in an interview with The Advertiser, said he came away from his first session as speaker with the feeling that House members are united in spirit, even when they differ philosophically. The House has “always stood for certain philosophies” reflecting the majority Democrats, Peters said, but that’s not true in the Senate.

Senate Democrats included Republicans in the leadership organization “not for any particular love” for the GOP as opposed to a minority faction of Democrats, but to accommodate “personalities,” Peters said. Senate coalition leaders were not available for reaction yesterday.

Peters said one example of the Senate’s internal troubles was the defeat of legislation that would have given the governor, his cabinet, judges and other top state officials 19 percent raises over two years.

The proposals were negotiated in the last days of the session by House Finance Committee members and Sens. Mamoru Yamasaki, a Democrat, and D.G. “Andy” Anderson, a Republican.

But others in the Senate’s ruling coalition had reservations about the hikes and when the bills reached the Senate floor, all of the 18-senator ruling coalition except Sen. Joe Kuroda voted against them. They died, 17-8.

“All it shows to me is the lack of leadership and basic distrust amongst their own members,” the speaker said.

According to Peters, the pay issue which held up adjournment for four days was not examined on the basis of its merit in the Senate, but on the personalities involved.

It was a view expressed Monday by Gov. George Ariyoshi, who strongly backed the pay raise.

“Everything is me, me, me, which is rather selfish,” Peters said of the Senate.

The speaker, who represents the area from Waianae to Ewa Beach, said this year’s experience with the bipartisan coalition will probably result in a “lot more written agreements” in 1982 on what was negotiated and what will be binding on each house. That way, Peters said people “can’t run around and speculate on what was said.”

The Legislature adjourned Thursday despite lingering legal questions about whether it met all requirements in approving a two-year, $2.6 billion state budget and other money measures.

A four-hour extension was granted by Ariyoshi Thursday morning to allow conferees to go through the motions of openly approving a budget reported out by a special subcommittee in earlier secret sessions.

Peters said the House agreed to the meeting to satisfy complaints by Ariyoshi and Attorney General Tany Hong that the open-meeting requirement in the Constitution wasn’t met.

Next year, Peters said, the Legislature will have to give its budget subcommittee official standing to conduct secret sessions or else an amendment to the Constitution will be required to allow lawmakers.

See Peters on Page A-4

Henry Peters
“Lack of leadership”
Peters says coalition was selfish

from page one

more time to deliberate in the open. The second alternative isn't viable, Peters said.

"If we had all the time in the world to resolve these major issues, then fine. But you know as well as I do that it's practically impossible to do so."

Peters had an internal controversy of his own this year when Rep. Robert Dods, head of the Transportation Committee, resigned in protest over the House's change-of-heart on a second Oahu airport. House members had previously endorsed Ariyoshi's plan to put the field at Poamoho outside Wahiawa. But they backed away from a previous endorsement of that site and eventually supported a Senate plan to again seek military permission for joint use of Wheeler Air Base.

"I don't agree with the notion that any one chairman should have the total flexibility of determining policy for this House in its entirety," Peters said of the resignation.

"The role of leadership is to provide direction," Peters said. "I don't expect everyone to agree with me all the time. This isn't a popularity contest."

But some of his critics say the speaker goes beyond just giving direction — that his short temper and gruff manner, when he perceives he is being challenged, amounts to bullying.

One lawmaker said Peters could have handled with less rancor a disagreement with House Finance Chairman Tony Kunimura over the House's position on the pay raise bills.

Kunimura's committee had recommended that raises be kept to 10 percent, but Peters pressured the committee to reconsider its position and members reported out proposals for roughly 20 percent increases.

Continued

Over →
Ariyoshi fears Republican Anderson may run for governor next year and that Peters may choose to run for lieutenant governor. "This might make him (Peters) lieutenant governor, but it ain't going to change Dickie Wong," he said. "I think the governor is unhappy because Andy Anderson may be a gubernatorial candidate."

But earlier this year, the Senate president said, he and other Democrats in the coalition told Ariyoshi that "we're not involved in any effort on Senator Anderson's part to run for governor."

Anderson, a Windward Oahu Republican who has run twice for mayor of Honolulu, said yesterday he has done nothing to encourage thoughts that he is running for governor. "I have no com-

Politics behind it? Peters said yesterday he has "no aspirations for higher office at this time."

The House speaker repeatedly charged the Senate coalition with bargaining in "bad faith" on the pay bill because after the compromise of 19 percent over two years was reached, the measure died on the Senate floor. Peters suggested the Senate leadership was honor-bound to back the pay bill because it had been agreed to by Senate conferees. "In the future any bill can suffer the same fate because of the lack of good faith by self-serving senators," Peters said yesterday.

But the Senate leaders repeated yesterday what they have said all along: that all they promised was to bring the pay matter to a vote and that they warned Peters it would not pass. "No speaker is going to tell me take it or leave it," Wong said yesterday.

Wong said he was "surprised and shocked" to see Peters' public criticism of the Senate coalition in yesterday's Advertiser. Will the Senate be able to work with the House under Peters next year? "That depends on Henry," Wong said. "I never started the war." The Senate leaders were equally unhappy with Ariyoshi for his complaints that coalition politics killed the nominations of 11 gubernatorial appointees. The coalition-led Senate approved 397 out of 408 nominations and, if anything, should have been tougher in reviewing proposed appointments, Wong said.

"We are not willing to be an automatic rubber stamp — ready to approve just anyone he chooses to make underkeeper — ready to ap-

From Page One
Leadership of the Democratic-Republican majority coalition in the state Senate — obviously stung by criticism of its performance during the just-completed 1981 session — yesterday went on the attack.

In a news conference, coalition leaders Sens. Richard Wong and D.G. “Andy” Anderson lashed back at House Speaker Henry Peters and Gov. George Ariyoshi — both of whom have been openly critical of the way the 18-member Senate coalition handled its duties.

Both Peters and the governor charged that the Senate had put coalition politics and personalities ahead of public business.

This, said Republican Floor Leader Anderson and Senate President Wong, is simply not true. If anything, they argued, the coalition handled its business openly and fairly despite heavy pressure to accommodate outside interests.

Wong seemed particularly rankled that Peters seemed to suggest the Senate had to do legislative business — particularly when it came to administrative pay raise — according to House terms.

“I don’t go around in the Senate suggesting I’m the boss like Henry does,” Wong said.

This was in reference to Peters’ continued attempts to get legislative approval for a 20 percent pay hike for top state officers and judges. The Senate rejected a compromise, two-year 19 percent pay bill by a 17-8 vote.

Wong suggested the criticism from Ariyoshi and Peters might have outside political reasons —
THIRD THURS. THINGS: David Schutter speechless? Hard to believe, but it happened at the loquacious barrister's roast-toast sponsored by the Waikiki Rotary. When Schutter got up to sling a few barbs at his roasters — Larry Price, Vinnie Marino, Jim Duffy, Kane ("Connie," the program called him) Fernandez, Rep. Henry Peters, Mickey Hummer and Mike Vasconcellos — they all walked out, leading the audience. Mickey said: "It wasn't the first time I've seen Dave when he didn't know what to say, but it was the first time he didn't say it!"

When normally tight-lipped Judge James Wakatsuki got up to speak at the David Trask roast, the crowd stood up too. Wakatsuki told the people in the large crowd that they didn't have to stand up just because he's now a judge — and everyone sat down except those at the head table, who apparently figured his remarks would be brief. Instead, Wakatsuki delivered the longest speech of the evening... Matt Trask, no relation to David, and friends were pictured in Monday's S.F. Chronicle. The Honolulu, now a student at Berkeley, was part of the team that won the award for best costume in the Bay-to-Breakers footrace — a 12-by-10-foot space shuttle... Janice Teramae, former Cherry Blossom Festival queen and ex-singer with the Orient Express, is now an attorney with Reinwald, O'Connor and Marrack and just won her first jury trial — a two-weeker against a well-known trial lawyer.
Coalition Leaders Take the

By Gregg K. Kakesako

The Senate coalition's political battle against House Speaker Henry Peters and Gov. George Ariyoshi attained another notch today during a news conference called by Senate leaders.

Senate President Richard S.H. Wong and Republican D.G. "Andy" Anderson—the leaders of the 18-member ruling Democrat-GOP coalition—rebutted recent critical statements made by Ariyoshi and Peters.

Wong, D-5th Dist. (Urban Oahu), accused Peters, D-21st Dist. (Waianae-Ewa Beach), of being responsible for the demise of the executive and judicial pay raise bills in the past session.

IN RECENT INTERVIEWS, the governor has blamed the rejection of the pay bills on the Wong-Anderson coalition.

But Wong said today that Peters was told on numerous occasions that the Senate would not agree to raises amounting to more than 18 percent.

Wong said the Senate's last position was 15 percent over two years. "The avenue of compromise could have been reached," Wong argued.

However, Peters persisted in his "take-it-or-leave attitude," Wong said.

Wong speculated that the reason Peters wanted to deliver the 18 percent raise for Ariyoshi and his cabinet was because Peters may have believed that action would pave his way for a run for lieutenant governor in 1982.

"I wasn't going to let him (Peters) use the Senate as a political stepping stone," Wong said.

WONG FOR THE FIRST time also openly criticized the way Peters conducted the House operations.

Wong said: "One of the problems the Senate conferees had in budget conference sessions was that sometimes after they'd reached an agreement with their counterparts in the House, the speaker would walk in and nullify the agreements."

"Who is Henry Peters that he can overrule 50 other representatives like that?" Wong said.

As for the governor's recent critical statements, Wong conceded that "the Senate coalition was formed as a matter of expediency and convenience. There's no denying it..."

Wong said that in his bid for re-election as Senate president, he was forced to turn to the eight Senate Republicans after reaching an impasse in negotiations with the Democratic majority. In January, Wong was elected president of the Senate's first bipartisan alliance with the votes of eight Republicans and 10 pro-Wong Democrats.

ANDERSON STRONGLY rejected charges by Ariyoshi that "so-called secret caucuses" ran the operations of the Senate.

"There has never been any secret meetings," Anderson, R-3rd Dist. (Windward Oahu), said. "We just caucused on bills before each day's floor session as has been the case for years."

When Ariyoshi was a senator, he participated in similar sessions, Anderson said.

Wong also rejected speculation that the intent of the coalition was "to make Anderson look good" because he is expected to run against Ariyoshi for the governorship in 1982.

As for Ariyoshi's complaint about the rejection of three of his seven nominees to the University of Hawaii Board of Regents, Wong said that Ariyoshi submitted a total of 398 nominations for confirmation by the Senate.

"Of that number 398 were confirmed," Wong said. "Only 11 of those nominations had to be withdrawn. That's a pretty good batting average for the governor, better than 97 percent."
Legislative Squabbles

By Gregg K. Kakasalo

The relationship between the House and Senate yesterday ebbed to an all-time low with House Speaker Henry Peters predicting that it may get even worse because of the way the executive and judicial pay bills were handled this year.

At a State Capitol news conference, Peters, D-21st Dist. (Waianae-Ewa Beach), said the actions of the ruling Democratic-Republican Senate coalition on the pay bill will “jeopardize all future actions of this Legislature...

“The violation of this (negotiating) process sets a dangerous precedent,” Peters said.

The “bad blood” between House and Senate leaders centers around the Senate’s defeat of the two pay bills. And for the first time, Senate coalition leaders were openly criticizing the actions of House Speaker Peters.

Senate President Richard S.H. Wong accused Peters of trying to run both the House and the Senate.

Wong, D-5th Dist. (Urban Oahu), further accused Peters of “unilaterally” overruling the decisions of various House committees and also nullifying agreements drawn up by House and Senate budget negotiators.

“One of the reasons the budget conference was rushed towards the end was because the House dragged its feet for two weeks before going into conference,” Wong said.

AND AS FAR as Wong is concerned, it is up to Peters to rebuild a diplomatic bridge to the Senate since it was Peters who started the “war” between the House and Senate.

It’s been a week since the 1981 Legislature adjourned after being granted three extensions to work on two bills which would have given salary increases to Ariyoshi, his cabinet, state judges and several hundred other non-union government workers.

The raises, the first in five years, failed to win Senate approval and the debate and the finger pointing still continues at the state Capitol.

Ariyoshi and Peters blame the demise of the pay raise bill on the “self-serving interests” of the Senate’s first Democratic-Republican alliance.

At his news conference yesterday, Peters virtually repeated statements made earlier in the week by Ariyoshi who said that “all decisions were made with the 18 percent raise in the Senate...” Peters said “the preservation of the bipartisan coalition became a priority, rather than the merits of any particular bill.

Earlier in the day at a separate news conference, Senate President Wong and GOP leader D.G. “Andy” Anderson, who pieced together the coalition in January, angrily defended their actions in rejecting the pay bills and 11 of Ariyoshi’s 408 appointments.

WONG SAID it was Peters who overrode the actions of the House Finance Committee and forced its chairman, Kauai Democrat Tony Kunimura, to redraft the pay raise bill to reflect the 20 percent increase recommended by the governor’s salary committee. Kunimura’s committee originally had recommended raises amounting to only 10 percent.

Again, it was Peters who insisted that House-Senate budget conferees move salary increases amounting to 18 percent to the floors of both houses even after being told repeatedly by Senate leaders that such...
She said the five-day legislative recess mandated by the state constitution could be used to better advantage for the public but it hasn't been approached properly.

UNLESS PUBLIC participation is encouraged, she said, "Ultimately, there will be ways for the public to get things done without the Legislature, and the Legislature will become an irrelevancy.

"Maybe, as some veterans retire, with new people we may get a new perspective...," Fukunaga added. "We can't go back to what it was to be phased out in 1977 and was not a priority of the state Labor Department.

"If we're serious about providing jobs, and the positions are warranted, let's make them permanent," he said.

Uwaine sat through the Ways and Means Committee meetings, not as a member, but because of his interest in his programs. And he is among those who favor open House-Senate conferences to resolve differences.

"It would take longer, but we're elected to do a job in whatever time it takes," he said.
EASY, YOU GUYS, DON'T YOU KNOW IT'S BE-KIND-TO-ANIMALS WEEK?

SENATE COALITION

Henry Peters
Freshmen Travel New Path in Legislature, Political Life

By Helen Altonn
Star-Bulletin Writer

A growing force of younger legislators, with similar views has been quietly carving a new path through the old-time political thickets of Hawaii's Legislature.

Their impact on traditional law-making practices largely has been below the surface, but veteran legislators acknowledge that it's there, and it's expected to become more pronounced in the next few years.

"They're biding their time," one House member said about a particular group of representatives who revolve around Rep. John Waihee, D-17th Dist. (Kalihi Kapiolani Harbor). "They have good political savvy," the Democrat said. "They know this is Henry's (House Speaker Henry Peters) time. They're not going to make waves.

The changes are especially dramatic in the House, where 32 new faces -- making up more than half of the 51-member body -- have appeared since the 1978 election. But cracks also have appeared in the Senate stronghold of longtime politicians -- with 12 of the 25 members replaced in the last two elections.

Most of the new senators graduated from the House and other young representatives, such as Waihee, reportedly are eyeing Senate races in the next election.

DESPITE their strength in numbers, freshmen House members posed few challenges to the House leadership during the recent session. Peters, D-21st Dist. (Waianae-Ewa Beach), pulled some of the young House dissidents into his new organi

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debate on issues — rather than cut-and-dried votes — and better use of the constitutionally mandated legislative recess to encourage public participation in legislative decisions.

They are particularly concerned with protection of Hawaii’s environment and natural resources — an outgrowth of the 1978 state Constitutional Convention.

Peters said his new crop of members “seem to be very well balanced in terms of looking at the House as an institution. Instead of being greedy — wanting things for themselves — they were looking at the state as a whole...

“You can’t preclude the relationships they had before they came in...but they are not as chauvinistic as you would find in the Senate or the House a few years ago,” Peters said.

Nonetheless, many of the younger legislators appear to be part of the same philosophical fabric.

A notable group of five representatives, Peters said, "gravitate together" because of shared experiences in law school, on the campaign trail or in the 1978 state Constitutional Convention.

AND THEIR associations are far-ranging, including House members who preceded them two years ago as well as outsiders who are expected to seek legislative seats during next year’s election.

The group pivots around Waihee, D-17th Dist. (Kalihi-Kapiolani-Harbor), an attorney who developed a reputation for leadership during the Constitutional Convention.

Waihee and Peters are old friends and Waihee made no overt moves to assert himself as a comer in the House during his first session.

But, according to reports, he got around a lot to committee chairmen, asking favors for his colleagues: “I guess that’s how you become a leader,” a veteran House member commented.

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