

TESTIMONY BY GEORGINA K. KAWAMURA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
HOUSE BILL NO. 118

March 14, 2008

RELATING TO STATE BONDS.

House Bill No. 118 authorizes the issuance of general obligation bonds to finance project appropriations contained in Acts of the Legislature for which the means of funding are designated as general obligation bond funds or reimbursable general obligation bond funds. The bill also provides a declaration of findings with respect to such authorizations as mandated by the State Constitution.

The Department of Budget and Finance supports this measure.

Article VII, Section 13 of the Constitution of the State of Hawaii requires that as of July 1, 1980, the Legislature shall include a declaration of findings in every general law authorizing the issuance of general obligation bonds. The declaration of findings must state that the total amount of principal and interest estimated for such bonds and for all bonds authorized but unissued and calculated for all bonds issued and outstanding will not cause the State debt limit to be exceeded at the time of issuance.

It is necessary for this bill to be passed and finalized in conference when appropriation bills are finalized. As in previous years, our staff is available to assist the Legislature in refining and completing this Bill.