



**STATE OF HAWAII
DEPARTMENT OF ACCOUNTING
AND GENERAL SERVICES**

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TESTIMONY
OF
RUSS K. SAITO, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
COMMITTEE
ON
WAYS AND MEANS
ON
January 31, 2008

S.B. 2960

MAKING AN EMERGENCY APPROPRIATION FOR ELECTRICITY PAYMENTS
STATEWIDE

Chair Baker and members of the Committee, thank you for the opportunity to testify on S.B. 2960.

The Department of Accounting and General Services (DAGS) supports this bill. DAGS acknowledges that current world events and uncertainties will continue to keep world oil prices fluctuating at unpredictable levels. Current oil prices have recently abated due to uncertain economic growth concerns here in the United States and overseas but are expected to remain in the mid to high eighty dollar per barrel range in the near term. In fiscal year 2006, an average monthly Oahu electricity bill for the program was \$572,000 while in fiscal year 2007 it was \$620,000 and for the first 5 months of fiscal year 2008 the average stands at \$698,000. If an emergency appropriation is not provided

the program is expected to run out of electricity money in May of 2008 and will incur late payment interest charges.

Thank you for the opportunity to testify on this matter.