



GOV. MSG. NO. 822

EXECUTIVE CHAMBERS  
HONOLULU

LINDA LINGLE  
GOVERNOR

July 15, 2009

The Honorable Colleen Hanabusa, President  
and Members of the Senate  
Twenty-Fifth State Legislature  
State Capitol, Room 409  
Honolulu, Hawaii 96813

Dear Madam President and Members of the Senate:

I am transmitting herewith SB387 SD1 HD1 CD2, without my approval, and with the statement of objections relating to the measure.

SB387 SD1 HD1 CD2

A BILL FOR AN ACT  
RELATING TO THE STATE BUDGET.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Lingle".

LINDA LINGLE

EXECUTIVE CHAMBERS

HONOLULU

July 15, 2009

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 387

Honorable Members  
Twenty-Fifth Legislature  
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 387, entitled "A Bill for an Act Relating to the State Budget."

The purpose of this bill is to transfer various programs and divisions within the Department of Business, Economic Development and Tourism to the Office of the Governor, Department of Accounting and General Services, Department of Commerce and Consumer Affairs, and the Hawaii Tourism Authority. This measure also requires the Governor to report budget restrictions to the Legislature within thirty days of the end of the quarterly allotment period.

This bill is objectionable because transferring the Department of Business, Economic Development and Tourism's functions and responsibilities to other departments will not reduce the cost of government or improve the delivery of public services. In all likelihood, such transfers will interrupt services as the programs and divisions must plan for the transfer and make necessary adjustments, in addition to making needed changes to ensure that appropriate references are updated in statutes and administrative rules.

Moreover, the proposed transfer of these functions and responsibilities to other departments demonstrates a lack of understanding of the mission of these economic development programs and divisions and the mission and functions of the

STATEMENT OF OBJECTIONS  
SENATE BILL NO. 387  
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receiving departments. In fact, some of the proposed transfers are contradictory to sound public policy and the conduct of government. As an example, this measure transfers the Small Business Regulatory Review Board from the Department of Business, Economic Development and Tourism to the Department of Commerce and Consumer Affairs. Since the Department of Commerce and Consumer Affairs has numerous rules and regulations that affect small businesses, it could be a conflict of interest to attach the Review Board to the department whose rules it must review, critique, and make a recommendation to approve or not approve. Such a move would call into question the independence of the Small Business Regulatory Review Board.

The proposed transfers contained in this bill come at a time when we must remain focused on the economic recovery and regaining the vitality of the business sector in our state. To propose to dismantle the State agency tasked with this responsibility at this time is shortsighted and disruptive to our recovery efforts.

For the foregoing reasons, I am returning Senate Bill No. 387 without my approval.

Respectfully,

A handwritten signature in black ink, appearing to read "Linda Lingle", written in a cursive style.

LINDA LINGLE  
Governor of Hawaii

# VETO

THE SENATE  
TWENTY-FIFTH LEGISLATURE, 2009  
STATE OF HAWAII

S.B. NO. 387  
S.D. 1  
H.D. 1  
C.D. 2

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## A BILL FOR AN ACT

RELATING TO THE STATE BUDGET.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 PART I

2 SECTION 1. Chapter 37, Hawaii Revised Statutes, is amended  
3 by adding a new section to be appropriately designated and to  
4 read as follows:

5 "§37- Reporting requirements. (a) Whenever the  
6 governor or the director of finance effects a restriction  
7 pursuant to this chapter of any expenditure of any appropriation  
8 authorized by the legislature, the governor or the director of  
9 finance shall report each restriction to the legislature not  
10 later than thirty days after the end of each quarterly allotment  
11 period.

12 (b) The report shall contain at least the following  
13 information:

- 14 (1) The name of the department affected;  
15 (2) The specific program ID affected;  
16 (3) The reason for the restriction; and



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1       (4) The impact of the restriction on the particular  
2           program."

3                                   PART II

4       SECTION 2. The purpose of this Act is to reorganize  
5 certain state executive branch departments to reflect the  
6 provisions of the General Appropriations Act of 2009.

7       SECTION 3. The purpose of this part is to transfer the  
8 position of tourism liaison from the department of business,  
9 economic development, and tourism to the office of the governor.

10      SECTION 4. Chapter 27, Hawaii Revised Statutes, is amended  
11 by adding a new part to be appropriately designated and to read  
12 as follows:

13                                   "PART . TOURISM

14      §27- Special advisor for tourism. (a) There is  
15 established within the office of the governor a special advisor  
16 for tourism who shall be appointed by the governor without  
17 regard to section 26-34. The special advisor shall not be  
18 subject to chapters 76 and 89.

19      (b) The special advisor for tourism shall serve as the  
20 liaison between the governor and the Hawaii tourism authority,  
21 department of business, economic development, and tourism, and



1 other public and private parties on matters relating to  
2 tourism."

3 PART III

4 SECTION 5. The purpose of this part is to transfer the  
5 small business regulatory review board, with its statutory  
6 duties and powers, from the department of business, economic  
7 development, and tourism to the department of commerce and  
8 consumer affairs.

9 SECTION 6. Section 201M-5, Hawaii Revised Statutes, is  
10 amended to read as follows:

11 "§201M-5 Small business regulatory review board; powers.

12 (a) There shall be established within the department of  
13 [~~business, economic development, and tourism,~~] commerce and  
14 consumer affairs for administrative purposes[~~7~~] a small business  
15 regulatory review board to review any proposed new or amended  
16 rule or to consider any request from small business owners for  
17 review of any rule adopted by a state agency and to make  
18 recommendations to the agency or the legislature regarding the  
19 need for a rule change or legislation. For requests regarding  
20 county ordinances, the board may make recommendations to the  
21 county council or the mayor for appropriate action.



1 (b) The board shall consist of eleven members, who shall  
2 be appointed by the governor pursuant to section 26-34.  
3 Nominations to fill vacancies shall be made from names submitted  
4 by the review board. The appointments shall reflect  
5 representation of a variety of businesses in the State; provided  
6 that no more than two members shall be representatives from the  
7 same type of business, and that there shall be at least two  
8 representatives from each county.

9 (c) All members of the board shall be either a current or  
10 former owner or officer of a business and shall not be an  
11 officer or employee of the federal, state, or county government.  
12 A majority of the board shall elect the chairperson. The  
13 chairperson shall serve a term of not more than one year, unless  
14 removed earlier by a two-thirds vote of all members to which the  
15 board is entitled.

16 (d) A majority of all the members to which the board is  
17 entitled shall constitute a quorum to do business, and the  
18 concurrence of a majority of all the members to which the board  
19 is entitled shall be necessary to make any action of the board  
20 valid.

21 (e) In addition to any other powers provided by this  
22 chapter, the board may:



1 (1) Adopt any rules necessary to implement this chapter;

2 (2) Organize and hold conferences on problems affecting  
3 small business; and

4 (3) Do any and all things necessary to effectuate the  
5 purposes of this chapter.

6 (f) The board shall submit an annual report to the  
7 legislature twenty days prior to each regular session detailing  
8 any requests from small business owners for review of any rule  
9 adopted by a state agency, and any recommendations made by the  
10 board to an agency or the legislature regarding the need for a  
11 rule change or legislation. The report shall also contain a  
12 summary of the comments made by the board to agencies regarding  
13 its review of proposed new or amended rules.

14 (g) The expenses of the board shall be funded entirely  
15 from the compliance resolution fund; provided that this  
16 provision shall not require the board to charge any fee for its  
17 service. The director of commerce and consumer affairs shall  
18 include, as part of any other fee charged to a person or  
19 organization, an amount with a reasonable nexus to the small  
20 business regulatory review activities of the board.





1       For the purpose of this subsection, "expenses" includes  
2       operating expenses, cash capital expenses, and debt service  
3       attributable to the board."

4                                  PART IV

5               SECTION 7. The purpose of this part is to the transfer the  
6       natural energy laboratory of Hawaii authority, with its  
7       statutory duties and powers, from the department of business,  
8       economic development, and tourism to the department of  
9       accounting and general services.

10              SECTION 8. Section 227D-2, Hawaii Revised Statutes, is  
11       amended by amending subsections (a) and (b) to read as follows:

12              "(a) There is established the natural energy laboratory of  
13       Hawaii authority, which shall be a body corporate and politic  
14       and an instrumentality and agency of the State. The authority  
15       shall be placed within the [~~department of business, economic~~  
16       ~~development, and tourism~~] department of accounting and general  
17       services for administrative purposes [~~, pursuant to section 26-~~  
18       ~~35~~]. The purpose of the natural energy laboratory of Hawaii  
19       authority shall be to facilitate research, development, and  
20       commercialization of natural energy resources and ocean-related  
21       research, technology, and industry in Hawaii and to engage in  
22       retail, commercial, or tourism activities that will financially



1 support that research, development, and commercialization at a  
2 research and technology park in Hawaii. Its duties shall  
3 include:

4 (1) Establishing, managing, and operating facilities that  
5 provide sites for:

6 (A) Research and development;

7 (B) Commercial projects and businesses utilizing  
8 natural resources, such as ocean water or  
9 geothermal energy;

10 (C) Compatible businesses engaged in scientific and  
11 technological investigations, or retail,  
12 commercial, and tourism activities; and

13 (D) Businesses or educational facilities that support  
14 the primary projects and activities;

15 (2) Providing support, utilities, and other services to  
16 facility tenants and government agencies;

17 (3) Maintaining the physical structure of the facilities;

18 (4) Promoting and marketing these facilities;

19 (5) Promoting and marketing the reasonable utilization of  
20 available natural resources;

21 (6) Supporting ocean research and technology development  
22 projects that support national and state interests,



1 use facilities and infrastructure in Hawaii, and  
2 foster potential commercial development; and  
3 (7) Engaging in retail, commercial, and tourism activities  
4 that are not related to facilitating research,  
5 development, and commercialization of natural energy  
6 resources in Hawaii; provided that all income derived  
7 from these activities shall be deposited in the  
8 natural energy laboratory of Hawaii authority special  
9 fund.

10 (b) The governing body of the authority shall consist of a  
11 board of directors having eleven voting members. Three members  
12 from the general public shall be appointed by the governor for  
13 staggered terms pursuant to section 26-34, except that one of  
14 these members shall be a resident of the county of Hawaii. The  
15 members shall be selected on the basis of their knowledge,  
16 interest, and proven expertise in, but not limited to, one or  
17 more of the following fields: finance, commerce and trade,  
18 corporate management, marketing, economics, engineering, energy  
19 management, real estate development, property management,  
20 aquaculture, and ocean science. The chairperson and secretary  
21 of the research advisory committee shall serve on the board.  
22 The ~~[director of business, economic development, and tourism,~~



1 the] chairperson of the board of land and natural resources, the  
2 [~~president of the University of Hawaii,~~] comptroller, the mayor  
3 of the county of Hawaii, an appointed member from the board of  
4 the high technology development corporation, and an appointed  
5 member from the board of the Hawaii strategic development  
6 corporation, or their designated representatives, shall serve as  
7 ex officio, voting members of the board. The [~~director of~~  
8 ~~business, economic development, and tourism~~] comptroller shall  
9 serve as the chairperson until such time as a chairperson is  
10 elected by the board from the membership. The board shall elect  
11 other officers as it deems necessary."

## PART V

13 SECTION 9. The purpose of this part is to transfer the  
14 arts and culture development branch within the department of  
15 business, economic development, and tourism to the state  
16 foundation on culture and the arts, which is placed within the  
17 department of accounting and general services for administrative  
18 purposes.

19 SECTION 10. All rights, powers, functions, and duties of  
20 the arts and culture development branch of the department of  
21 business, economic development, and tourism are transferred to  
22 the state foundation on culture and the arts.



1 PART VI

2 SECTION 11. The purpose of this part is to transfer the  
3 film industry branch within the department of business, economic  
4 development, and tourism to the Hawaii tourism authority.

5 SECTION 12. Chapter 201B, Hawaii Revised Statutes, is  
6 amended by adding a new part to be appropriately designated and  
7 to read as follows:

8 "PART . HAWAII TELEVISION AND FILM DEVELOPMENT

9 §201B-A Definitions. As used in this part:

10 "Applicant" means a person applying for a grant or venture  
11 capital investment from the authority under this part.

12 "Board" means the Hawaii television and film development  
13 board.

14 "Eligible Hawaii project" or "project" means an  
15 entertainment project in which at least seventy-five per cent of  
16 the budget for the production costs, excluding salaries and  
17 costs for the producer, director, writer, screenplay, and actors  
18 in the project, is dedicated for the purchase or lease of goods  
19 or services from a vendor or supplier who is located and doing  
20 business in the State.

21 "Fund" means the Hawaii television and film development  
22 special fund.



1 "Venture capital investment" means any of the following  
2 investments in a project:

- 3 (1) Common or preferred stock and equity securities  
4 without a repurchase requirement for at least five  
5 years;
- 6 (2) A right to purchase stock or equity securities;
- 7 (3) Any debenture, whether or not convertible or having  
8 stock purchase rights, which is subordinated, together  
9 with security interests against the assets of the  
10 borrower, by their terms to all borrowings of the  
11 borrower from other institutional lenders, and that is  
12 for a term of not less than three years, and that has  
13 no part amortized during the first three years; and
- 14 (4) General or limited partnership interests.

15 §201B-B Hawaii television and film development board. (a)  
16 There is established the Hawaii television and film development  
17 board. The board shall be attached to the Hawaii tourism  
18 authority for administrative purposes only. The board shall  
19 administer the grant and venture capital investment programs and  
20 the Hawaii television and film development special fund  
21 established under this part. The board shall also assess and  
22 consider the overall viability and development of the television



1 and film industries and make recommendations to appropriate  
2 state or county agencies.

3 (b) The board shall be composed of nine members, four of  
4 whom shall be appointed by the governor pursuant to section  
5 26-34, and all of whom shall serve four-year staggered terms.  
6 One of the governor's appointments shall be made from a list of  
7 nominees submitted by the president of the senate and another  
8 appointment shall be made from a list of nominees submitted by  
9 the speaker of the house of representatives. The four appointed  
10 members shall possess a current working knowledge of the film,  
11 television, or entertainment industry. The executive director  
12 of the Hawaii tourism authority and the chairs of the four  
13 county film commissions, or their equivalent, shall serve as ex  
14 officio voting members, who may be represented on the board by  
15 designees.

16 The chairperson and vice chairperson of the board shall be  
17 selected by the board by majority vote. Five members shall  
18 constitute a quorum, whose affirmative vote shall be necessary  
19 for all actions by the board. The members shall serve without  
20 compensation but shall be reimbursed for expenses, including  
21 travel expenses, necessary for the performance of their duties.



1 (c) The film industry branch development manager shall  
2 serve as the executive secretary of the board.

3 (d) The board may adopt rules pursuant to chapter 91 to  
4 effectuate the purposes of this part.

5 §201B-C Hawaii television and film development special

6 fund. (a) There is established in the state treasury the  
7 Hawaii television and film development special fund into which  
8 shall be deposited:

- 9 (1) Appropriations by the legislature;
- 10 (2) Donations and contributions made by private  
11 individuals or organizations for deposit into the  
12 fund;
- 13 (3) Grants provided by governmental agencies or any other  
14 source; and
- 15 (4) Any profits or other amounts received from venture  
16 capital investments.

17 (b) The fund shall be used by the board to assist in, and  
18 provide incentives for, the production of eligible Hawaii  
19 projects that are in compliance with criteria and standards  
20 established by the board in accordance with rules adopted by the  
21 board pursuant to chapter 91. In particular, the board shall





1 adopt rules to provide for the implementation of the following  
2 programs:

3 (1) A grant program. The board shall adopt rules pursuant  
4 to chapter 91 to provide conditions and qualifications  
5 for grants. Applications for grants shall be made to  
6 the board and shall contain such information as the  
7 board shall require by rules adopted pursuant to  
8 chapter 91. At a minimum, the applicant shall agree  
9 to the following conditions:

- 10 (A) The grant shall be used exclusively for eligible  
11 Hawaii projects;
- 12 (B) The applicant shall have applied for or received  
13 all applicable licenses and permits;
- 14 (C) The applicant shall comply with applicable  
15 federal and state laws prohibiting discrimination  
16 against any person on the basis of race, color,  
17 national origin, religion, creed, sex, age, or  
18 physical handicap;
- 19 (D) The applicant shall comply with other  
20 requirements as the board may prescribe;



1 (E) All activities undertaken with funds received  
2 shall comply with all applicable federal, state,  
3 and county statutes and ordinances;

4 (F) The applicant shall indemnify and save harmless  
5 the State of Hawaii and its officers, agents, and  
6 employees from and against any and all claims  
7 arising out of or resulting from activities  
8 carried out or projects undertaken with funds  
9 provided hereunder, and procure sufficient  
10 insurance to provide this indemnification if  
11 requested to do so by the department;

12 (G) The applicant shall make available to the board  
13 all records the applicant may have relating to  
14 the project, to allow the board to monitor the  
15 applicant's compliance with the purpose of this  
16 chapter; and

17 (H) The applicant, to the satisfaction of the board,  
18 shall establish that sufficient funds are  
19 available for the completion of the project for  
20 the purpose for which the grant is awarded;

21 and

1 (2) A venture capital program. The board shall adopt  
2 rules pursuant to chapter 91 to provide conditions and  
3 qualifications for venture capital investments in  
4 eligible Hawaii projects. The program may include a  
5 written agreement between the borrower and the board,  
6 as the representative of the State, that as  
7 consideration for the venture capital investment made  
8 under this part, the borrower shall share any  
9 royalties, licenses, titles, rights, or any other  
10 monetary benefits that may accrue to the borrower  
11 pursuant to terms and conditions established by the  
12 board by rule pursuant to chapter 91. Venture capital  
13 investments may be made on such terms and conditions  
14 as the board shall determine to be reasonable,  
15 appropriate, and consistent with the purposes and  
16 objectives of this part.

17 §201B-D Inspection of premises and records. The board  
18 shall have the right to inspect, at reasonable hours, the plant,  
19 physical facilities, equipment, premises, books, and records of  
20 any applicant in connection with the processing of a grant to  
21 the applicant."



1 SECTION 13. Part IX of chapter 201, Hawaii Revised  
2 Statutes, is repealed.

3 PART VII

4 SECTION 14. The purpose of this part is to conform various  
5 sections of the Hawaii Revised Statutes to the amendments made  
6 under more than one of the previous parts.

7 SECTION 15. Section 26-18, Hawaii Revised Statutes, is  
8 amended to read as follows:

9 "§26-18 Department of business, economic development, and  
10 tourism. [~~a~~] The department of business, economic  
11 development, and tourism shall be headed by a single executive  
12 to be known as the director of business, economic development,  
13 and tourism.

14 The department shall undertake statewide business and  
15 economic development activities, undertake energy development  
16 and management, provide economic research and analysis, plan for  
17 the use of Hawaii's ocean resources, and encourage the  
18 development and promotion of industry and international commerce  
19 through programs established by law.

20 [~~b~~] The following are placed in the department of  
21 business, economic development, and tourism for administrative  
22 purposes as defined by section 26-35: Aloha Tower development



1 corporation, Hawaii community development authority, Hawaii  
 2 housing finance and development corporation, high technology  
 3 development corporation, land use commission, [~~natural energy~~  
 4 ~~laboratory of Hawaii authority,~~] and any other boards and  
 5 commissions as shall be provided by law.

6 The department of business, economic development, and  
 7 tourism shall be empowered to establish, modify, or abolish  
 8 statistical boundaries for cities, towns, or villages in the  
 9 State and shall publish, as expeditiously as possible, an up-to-  
 10 date list of cities, towns, and villages after changes to  
 11 statistical boundaries have been made."

12 SECTION 16. Section 201-2, Hawaii Revised Statutes, is  
 13 amended to read as follows:

14 "§201-2 General objective, functions, and duties of  
 15 department. It shall be the objective of the department of  
 16 business, economic development, and tourism to make broad policy  
 17 determinations with respect to economic development in the State  
 18 and to stimulate through research and demonstration projects  
 19 those industrial and economic development efforts that offer the  
 20 most immediate promise of expanding the economy of the State.  
 21 The department shall endeavor to gain an understanding of those  
 22 functions and activities of other governmental agencies and of



1 private agencies that relate to the field of economic  
2 development. [~~It shall,~~] The department, at all times, shall  
3 encourage initiative and creative thinking in harmony with the  
4 objectives of the department.

5 The department of business, economic development, and  
6 tourism shall have sole jurisdiction over the land use  
7 commission under chapter 205, state planning under chapter 225M,  
8 and the Hawaii State Planning Act under chapter 226. Due to the  
9 inherently interdependent functions of development, planning,  
10 and land use, these functions shall not be transferred by  
11 executive order, directive, or memorandum, to any other  
12 department, nor shall these functions be subject to review or  
13 approval by any other department."

14 SECTION 17. Section 201-3, Hawaii Revised Statutes, is  
15 amended to read as follows:

16 "§201-3 Specific research and promotional functions of the  
17 department. Without prejudice to its general functions and  
18 duties the department of business, economic development, and  
19 tourism shall have specific functions in the following areas:

- 20 (1) Industrial development. The department shall  
21 determine through technical and economic surveys the  
22 profit potential of new or expanded industrial



1           undertakings; develop through research projects and  
2           other means new and improved industrial products and  
3           processes; promote studies and surveys to determine  
4           consumer preference as to design and quality and to  
5           determine the best methods of packaging, transporting,  
6           and marketing the State's industrial products;  
7           disseminate information to assist the present  
8           industries of the State, to attract new industries to  
9           the State, and to encourage capital investment in  
10          present and new industries in the State; assist  
11          associations of producers and distributors of  
12          industrial products to introduce these products to  
13          consumers; and make grants or contracts as may be  
14          necessary or advisable to accomplish the foregoing;

- 15          (2) Land development. The department shall encourage the  
16          most productive use of all land in the State in  
17          accordance with a general plan developed by the  
18          department; encourage the improvement of land tenure  
19          practices on leased private lands; promote an  
20          informational program directed to landowners,  
21          producers of agricultural and industrial commodities,  
22          and the general public regarding the most efficient



1 and most productive use of the lands in the State; and  
2 make grants or contracts as may be necessary or  
3 advisable to accomplish the foregoing;

4 (3) Credit development. The department shall conduct a  
5 continuing study of agricultural and industrial credit  
6 needs; encourage the development of additional private  
7 and public credit sources for agricultural and  
8 industrial enterprises; promote an informational  
9 program to acquaint financial institutions with  
10 agricultural and industrial credit needs and the  
11 potential for agricultural and industrial expansion,  
12 and inform producers of agricultural and industrial  
13 products as to the manner in which to qualify for  
14 loans; and make grants or contracts as may be  
15 necessary or advisable to accomplish the foregoing;

16 and

17 (4) Promotion. The department shall disseminate  
18 information developed for or by the department  
19 pertaining to economic development to assist present  
20 industry in the State, attract new industry and  
21 investments to the State, and assist new and emerging  
22 industry with good growth potential or prospects in





1 jobs, exports, and new products. The industrial and  
2 economic promotional activities of the department may  
3 include the use of literature, advertising,  
4 demonstrations, displays, market testing, lectures,  
5 travel, motion picture and slide films, and other  
6 promotional and publicity devices as may be  
7 appropriate;

8 (5) Tourism research and statistics. The department shall  
9 maintain a program of research and statistics for the  
10 purpose of:

- 11 (A) Measuring and analyzing tourism trends;
- 12 (B) Providing information and research to assist in  
13 the development and implementation of state  
14 tourism policy;
- 15 (C) Encouraging and arranging for the conduct of  
16 tourism research and information development  
17 through voluntary means or through contractual  
18 services with qualified agencies, firms, or  
19 persons; and
- 20 (D) Providing tourism information to policy makers,  
21 the public, and the visitor industry. This  
22 includes:



- 1 (i) Collecting and publishing visitor-related
- 2 data including visitor arrivals, visitor
- 3 characteristics and expenditures;
- 4 (ii) Collecting and publishing hotel-related
- 5 statistics including the number of units
- 6 available, occupancy rates, and room rates;
- 7 (iii) Collecting and publishing airline-related
- 8 data including seat capacity and number of
- 9 flights;
- 10 (iv) Collecting information and conducting
- 11 analyses of the economic, social, and
- 12 physical impacts of tourism on the State;
- 13 (v) Conducting periodic studies of the impact of
- 14 ongoing marketing programs of the Hawaii
- 15 tourism authority on Hawaii's tourism
- 16 industry, employment in Hawaii, state taxes,
- 17 and the State's lesser known and
- 18 underutilized destinations; and
- 19 (vi) Cooperate with the Hawaii tourism authority
- 20 and provide it with the above information in
- 21 a timely manner;

22 and



1 (6) Self-sufficiency standard. The department shall  
2 establish and update biennially a self-sufficiency  
3 standard that shall incorporate existing methods of  
4 calculation, and shall reflect, at a minimum, costs  
5 relating to housing, food, child care, transportation,  
6 health care, clothing and household expenses, federal  
7 and state tax obligations, family size, children's  
8 ages, geography, and the number of household wage  
9 earners. The department shall report to the  
10 legislature concerning the self-sufficiency standard  
11 no later than twenty days prior to the convening of  
12 the regular session of 2009, and every odd-numbered  
13 year thereafter. The recommendations shall address,  
14 among other things, the utilization of any federal  
15 funding that may be available for the purposes of  
16 establishing and updating the self-sufficiency  
17 standard.

18 ~~[The department shall be the central agency to coordinate~~  
19 ~~film permit activities in the State.] "~~



1 PART VIII

2 SECTION 18. The purpose of this part is to provide for the  
3 transition of various state agencies and programs that are  
4 transferred under parts II, III, IV, V, and VI of this Act.

5 SECTION 19. (a) All rights, powers, functions, and duties  
6 of the agencies, divisions, or programs transferred under parts  
7 II, III, IV, V, and VI, are transferred to the successor  
8 agencies as provided under those parts.

9 (b) All officers and employees whose functions are  
10 transferred by this Act shall be transferred with their  
11 functions and shall continue to perform their regular duties  
12 upon their transfer, subject to the state personnel laws and  
13 this Act; except that an officer or employee whose position is  
14 no longer authorized under the General Appropriations Act of  
15 2009 shall not be transferred.

16 (c) No officer or employee who has been transferred  
17 pursuant to subsection (b) and who has tenure shall suffer any  
18 loss of salary, seniority, prior service credit, vacation, sick  
19 leave, or other employee benefit or privilege as a consequence  
20 of this Act.

21 (d) If a position held by an officer or employee having  
22 tenure is no longer authorized under the General Appropriations



1 Act of 2009, the movement of an officer or employee to another  
2 position shall be subject to the appropriate collective  
3 bargaining agreement.

4 SECTION 20. (a) Nothing in this Act shall be deemed to  
5 affect the civil service status of any civil service member  
6 transferred to the Hawaii tourism authority pursuant to part VI  
7 of this Act as it existed on June 30, 2009; provided that upon  
8 the vacancy of any transferred position, the Hawaii tourism  
9 authority may hire an employee to fill the vacated position  
10 without regard to chapters 76 and 89, Hawaii Revised Statutes.

11 (b) No officer or employee of the State whose functions  
12 are transferred by part VI of this Act, and who is employed by  
13 the Hawaii tourism authority pursuant to this section, shall  
14 suffer any loss of salary, prior service credit, vacation, sick  
15 leave, or other employee benefit or privilege as a consequence  
16 of this Act.

17 (c) Any officer or employee having tenure whose office or  
18 position is abolished by part VI of this Act shall not thereby  
19 be separated from public employment, but shall remain in the  
20 employment of the State with the same pay and classification and  
21 shall be transferred to some other office or position for which  
22 the officer or employee is eligible under the personnel laws of



1 the State as determined by the head of the department of the  
2 governor.

3 SECTION 21. All rules, policies, procedures, guidelines,  
4 and other material adopted or developed by an agency, division,  
5 or program transferred under parts II, III, IV, V, and VI, shall  
6 be transferred to the successor agency and shall remain in full  
7 force and effect until amended or repealed by the successor  
8 agency.

9 SECTION 22. All records, equipment, machines, files,  
10 supplies, contracts, books, papers, documents, maps, and other  
11 personal property heretofore made, used, or acquired or held by  
12 an agency, division, or program transferred under parts II, III,  
13 IV, V, and VI, shall be transferred to the successor agency.

14 SECTION 23. Unless specifically required by this Act, this  
15 Act shall not affect the membership or term of any appointed  
16 member of a board or other policy-making or advisory body  
17 transferred under parts II, III, IV, V, and VI. Such a member  
18 shall continue to serve on the board or other body for the  
19 member's term without necessity of reappointment.

20 SECTION 24. The legislative reference bureau shall review  
21 this Act for the purpose of making recommendations as to the  
22 appropriate placement of parts or chapters of the Hawaii Revised



1 Statutes affected by this Act. The legislative reference bureau  
2 shall submit its findings and recommendations, accompanied by  
3 any necessary proposed legislation, to the legislature by  
4 January 1, 2010.

5 SECTION 25. This Act does not affect rights and duties  
6 that matured, penalties that were incurred, and proceedings that  
7 were begun before its effective date.

8 PART IX

9 SECTION 26. The provisions of this part shall supersede  
10 section 15 of House Bill 1271 H.D. 3, S.D. 2, C.D. 1, of the  
11 2009 regular session. There is established within the  
12 department of business, economic development, and tourism, the  
13 position of energy program administrator. The employment status  
14 of the incumbent employee occupying the energy program  
15 administrator position on the effective date of this Act shall  
16 retain the employee's civil service status which shall not be  
17 affected by any Act enacted in the regular session of 2009.

18 PART X

19 SECTION 27. Statutory material to be repealed is bracketed  
20 and stricken. New statutory material is underscored.

21 SECTION 28. This Act shall take effect upon its approval.

