

Honolulu, Hawaii

May 1, 2009

RE: H.B. No. 899
H.D. 1
S.D. 1
C.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 899, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this bill is to clarify and strengthen the authority of the Office of Hawaiian Affairs (OHA) to issue revenue bonds to obtain funding for its projects by:

- (1) Authorizing the OHA Board of Trustees to:
 - (A) Issue revenue bonds without legislative authorization and approval; and
 - (B) Use OHA revenues, including general fund appropriations, to secure, and pay the interest and principal of revenue bonds;



and

- (2) Updating procedures and requirements for the issuance and sale of revenue bonds and investments in the bonds to reflect current government bond practices.

Your Committee on Conference finds that this measure is both timely and appropriate. Although OHA has never issued revenue bonds, the Hawaii and national economies are now creating a renewed impetus for OHA to seek alternative sources of funding for its projects. This bill will assist OHA in this endeavor.

Your Committee on Conference has amended this bill to address concerns of the State Attorney General under the Hawaii Constitution, by:

- (1) Including provisions that make the issuance of revenue bonds contingent on legislative authorization; and
- (2) Defining "revenues of the office," and making other clarifying amendments to ensure that general fund appropriations are not used to secure or pay the interest and principal on the revenue bonds.

The bill has also been amended to take effect upon its approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 899, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 899, H.D. 1, S.D. 1, C.D. 1.

Respectfully submitted on behalf
of the managers:

ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE

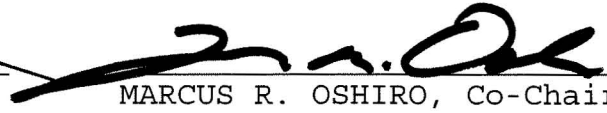

CLAYTON HEE, Chair


MELE CARROLL, Co-Chair





DONNA MERCADO KIM, Co-Chair



MARCUS R. OSHIRO, Co-Chair



