

STAND. COM. REP. NO.

1016

Honolulu, Hawaii

MAR 27 2009

RE: H.B. No. 1015
H.D. 1
S.D. 1

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

Madam:

Your Committees on Water, Land, Agriculture, and Hawaiian Affairs and Education and Housing, to which was referred H.B. No. 1015, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO OBLIGATIONS OF THE DEPARTMENT OF HAWAIIAN HOME LANDS TRUST FUND,"

beg leave to report as follows:

The purpose of this measure is to allow the Department of Hawaiian Home Lands (DHHL) to incur obligations in excess of the amount standing to the credit of a DHHL trust fund, subject to conditions that the Director of Finance deems reasonably necessary and when the Director of Finance determines that:

- (1) Monies to pay the obligation made in excess of the amount standing to the credit of the DHHL trust fund are expected to be received by the trust fund within a reasonable time period; and
- (2) With the approval of the Governor, allowing the exception is in the best interests of the State and will not impede the financial obligations of the State.

Testimony in support of this measure was submitted by two state agencies and two organizations. Written testimony presented to the Committees may be reviewed on the Legislature's website.



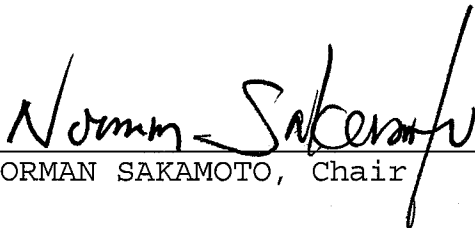
Your Committees find that this measure would expedite the construction of affordable homes and allow the Department of Hawaiian Home Lands to operate similarly to private sector developers, who maximize revenues through cash flow management and may proceed with construction projects with only the funds necessary for a particular phase of a project.

Your Committees further find that granting an exception to the Department of Hawaiian Home Lands would ultimately benefit individuals on DHHL's waiting lists to purchase and occupy affordable homes, and would also increase construction employment opportunities in the State.

Your Committees have amended this measure by changing the effective date from July 1, 2020, to July 1, 2009.

As affirmed by the records of votes of the members of your Committees on Water, Land, Agriculture, and Hawaiian Affairs and Education and Housing that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1015, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1015, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Water, Land,
Agriculture, and Hawaiian
Affairs and Education and
Housing,



NORMAN SAKAMOTO, Chair



CLAYTON HEE, Chair



