

Honolulu, Hawaii

May 5, 2009

RE: H.B. No. 1260
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. 1260, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO GOVERNMENT,"

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 allow the State to address some of the serious financial challenges ahead by reorganizing certain state executive branch departments to reflect the provisions of the General Appropriations Act of 2009. Specifically, this measure:

- (1) Abolishes the Research and Economic Analysis Division of the Department of Business, Economic Development, and Tourism and transfers the functions of four branches of the division to the Research Corporation of the University of Hawaii, and requires the Corporation to establish a self-sufficiency standard and cooperate with the United States Census Bureau;



- (2) Abolishes the Aloha Tower Development Corporation and transfers jurisdiction over and responsibility for the harbors modernization functions of the Aloha Tower Development Corporation to the harbors division of the Department of Transportation, and clarifies that the Department shall be the successor in interest to all assets and debts, liabilities, or other obligations incurred by the Corporation and that the Department is not exempt from the state procurement code with regard to projects concerning the harbors modernization plan;
- (3) Abolishes the Hawaii Occupational Safety and Health law, with the exception of the hoisting machine operators advisory board and the hoisting machine operators' certification revolving fund, effective on October 1, 2010;
- (4) Transfers the position of tourism liaison from the Department of Business, Economic Development, and Tourism to the Office of the Governor;
- (5) Transfers the Small Business Regulatory Review Board, with its statutory duties and powers, from the Department of Business, Economic Development, and Tourism to the Department of Commerce and Consumer Affairs;
- (6) Transfers the Land Use Commission, with its statutory duties and powers, from the Department of Business, Economic Development, and Tourism to the Department of Land and Natural Resources;
- (7) Transfers the High Technology Development Corporation and High Technology Innovation Corporation, with their statutory duties and powers, from the Department of Business, Economic Development, and Tourism to the University of Hawaii;
- (8) Transfers the Office of Planning, with its statutory duties and powers, including jurisdiction over the coastal zone management program, from the Department of Business, Economic Development, and Tourism to the Department of Land and Natural Resources;
- (9) Transfers the Natural Energy Laboratory of Hawaii Authority, with its statutory duties and powers, from the



Department of Business, Economic Development, and Tourism to the University of Hawaii;

- (10) Transfers the Measurement Standards Program, with its statutory authority, from the Department of Agriculture to the Department of Commerce and Consumer Affairs;
- (11) Transfers the Arts and Culture Development Branch within the Department of Business, Economic Development, and Tourism to the State Foundation on Culture and the Arts, which is placed within the Department of Accounting and General Services for administrative purposes;
- (12) Transfers the Film Industry Branch within the Department of Business, Economic Development, and Tourism to the Hawaii Tourism Authority;
- (13) Makes required conforming amendments to the Hawaii Revised Statutes;
- (14) Provides for the transition of various state agencies and programs that are transferred, including the transfer of rights, powers, functions, duties, officers, employees, records, equipment, and rules;
- (15) Clarifies that members of boards or other policy-making or advisory bodies transferred shall continue to serve the member's term without need for reappointment, except for members of the Board of the Aloha Tower Development Corporation and the High Technology Development Corporation; and
- (16) Requires the Legislative Reference Bureau to review this measure to recommend appropriate placement of parts or chapters of the Hawaii Revised Statutes affected.

After further consideration, your Committee on Conference has amended this bill by:

- (1) Removing language that would have:
 - (A) Abolished the Research and Economic Analysis Division of the Department of Business, Economic Development, and Tourism and transferred the functions of four branches of the division to the Research Corporation of the University of Hawaii, and required the



Corporation to establish a self-sufficiency standard and cooperate with the United States Census Bureau;

- (B) Abolished the Hawaii Occupational Safety and Health law, with the exception of the hoisting machine operators advisory board and the hoisting machine operators' certification revolving fund on October 1, 2010;
 - (C) Transferred the Land Use Commission, with its statutory duties and powers, from the Department of Business, Economic Development, and Tourism to the Department of Land and Natural Resources;
 - (D) Transferred the High Technology Development Corporation and High Technology Innovation Corporation, with their statutory duties and powers, from the Department of Business, Economic Development, and Tourism to the University of Hawaii;
 - (E) Transferred the Office of Planning, with its statutory duties and powers, including jurisdiction over the coastal zone management program, from the Department of Business, Economic Development, and Tourism to the Department of Land and Natural Resources; and
 - (F) Transferred the Measurement Standards Program, with its statutory authority, from the Department of Agriculture to the Department of Commerce and Consumer Affairs;
- (2) Stipulating that the abolishment of the Aloha Tower Development Corporation and the transfer of jurisdiction over and responsibility for the harbors modernization functions of the Aloha Tower Development Corporation to the harbors division of the Department of Transportation shall take effect on July 1, 2010;
 - (3) Transferring Natural Energy Laboratory of Hawaii Authority to the Department of Accounting and General Services instead of the University of Hawaii;
 - (4) Changing its effective date to July 1, 2009; and



- (5) Making technical, nonsubstantive amendmments for clarity, consistency, and style.

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. 1260, 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. 1260, H.D. 1, S.D. 1, C.D. 1.

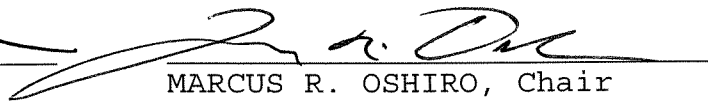
Respectfully submitted on behalf of the managers:

ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE



DONNA MERCADO KIM, Chair



MARCUS R. OSHIRO, Chair



BRIAN T. TANIGUCHI, Co-Chair



CC12 177

Hawaii State Legislature

Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: HB 1260, HD 1, SD 1	Date/Time: MAY 1, 2009 3:00 PM
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The recommendation of the House and Senate managers is to pass with amendments (CD).


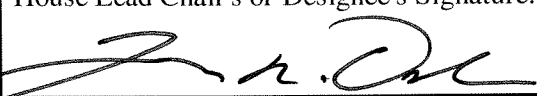
The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
KIM, Donna Mercado, Chr.	✓	✓			OSHIRO, Marcus R., Chr.	✓	✓		
TANIGUCHI, Brian T., Co-Chr.	✓				CHONG, Pono	✓	✓		
FUKUNAGA, Carol				✓	RHOADS, Karl	✓	✓		
HEE, Clayton				✓	YAMASHITA, Kyle T.	✓	✓		
KIDANI, Michelle	✓	✓			WARD, Gene				✓
TAKAMINE, Dwight Y.	✓								
TOTAL	A	0	0	2	TOTAL	A	0	0	1

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature: 
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