

STAND. COM. REP. NO.

1220

Honolulu, Hawaii

APR 09 2009

RE: H.B. No. 1260
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 Ways and Means and Judiciary and Government Operations, to which was referred H.B. No. 1260, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO GOVERNMENT,"

beg leave to report as follows:

The purpose of this measure is to establish a state securitization account within the Department of Budget and Finance to receive excess non-general funds, meet the qualifications imposed on the State with respect to the issuance of general obligation bonds, and authorize its use to temporarily finance capital improvement projects.

Your Committees find that the current state, national, and global economic crises have necessitated major changes in the State's biennial budget. Because of these changes, your Committees find that a reorganization of certain parts of the executive branch of state government is necessary to reflect the provisions of the General Appropriations Act of 2009.

Accordingly, your Committees have amended this measure by deleting its contents and replacing it with provisions detailing a reorganization of certain parts of the executive branch of state government, as contained in a proposed senate draft that was circulated for consideration.



Testimony in support of the proposed senate draft was submitted by two state agencies and two public citizens. Testimony in opposition was submitted by seven state agencies, one county agency, and two organizations. Four representatives from one state agency, three state agencies, and three organizations submitted comments.

Specifically, this measure, as further amended:

- (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;
- (16) Requires the Legislative Reference Bureau to review this measure to recommend appropriate placement of parts or chapters of the Hawaii Revised Statutes affected; and
- (17) Changes the effective date to July 1, 2090, to facilitate further discussion of the measure.

Your Committee finds that this measure, as amended, is necessary to allow the State to address the serious financial challenges ahead.

As affirmed by the records of votes of the members of your Committees on Ways and Means and Judiciary and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1260, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1260, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committees on Ways and Means
and Judiciary and Government
Operations,

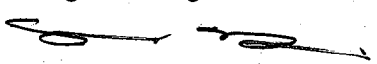

BRIAN T. TANIGUCHI, Chair


DONNA MERCADO KIM, Chair



The Senate
 Twenty-Fifth Legislature
 State of Hawaii


Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1260 HDI	WAM / JGO	APRIL 6 2009		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KIM, Donna Mercado (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne		/		
ENGLISH, J. Kalani				/
FUKUNAGA, Carol		/		
GALUTERIA, Brickwood	/			
HEE, Clayton				/
HOOSER, Gary L.	/			
KIDANI, Michelle N.	/			
KOKUBUN, Russell S.				/
TOKUDA, Jill N.		/		
HEMMINGS, Fred			/	
TOTAL	5	3	1	3
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Judiciary and Government Operations
JGO

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1260, HD1	WAM / JGO	4/6/2009		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312				
<input checked="" type="checkbox"/> Pass, with amendments 2311				
<input type="checkbox"/> Hold 2310				
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TANIGUCHI, Brian T. (C)	✓			
TAKAMINE, Dwight Y. (VC)	✓			
BUNDA, Robert				✓
GABBARD, Mike	✓			
NISHIHARA, Clarence K.	✓			
SLOM, Sam			✓	
TOTAL	4	0	1	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

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