

STAND. COM. REP. NO.

2968

Honolulu, Hawaii

APR - 1 2010

RE: H.B. No. 2690
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 2690 entitled:

"A BILL FOR AN ACT RELATING TO GOVERNMENT,"

begs leave to report as follows:

The purpose of this measure is to require the State to provide written notice to the President of the Senate and the Speaker of the House of Representatives of the receipt of any grant or allotment of federal-aid moneys.

Your Committee held a public hearing on a proposed draft of the measure. The proposed draft implements various changes to several areas of state government. Specifically, the proposed draft of the measure:

- (1) Repeals statutory authority for various positions within the Department of the Attorney General;
- (2) Transfers the television and film industry duties of the Department of Business, Economic Development, and Tourism to the Hawaii Tourism Authority;
- (3) Establishes the Hawaii Film Office within the Hawaii Tourism Authority and requires the Hawaii Film Office to administer the motion picture, digital media, and film production income tax credit;



- (4) Changes the terms of service for Department of Education principals, vice principals, cafeteria managers, and cafeteria workers from twelve months to ten months; and
- (5) Repeals the requirement that the State and the counties contribute to the Hawaii Employer-Union Health Benefits Trust Fund for the life insurance premiums of active and retired public employees, effective July 1, 2010.

Your Committee heard testimony in opposition to the proposed draft from the Attorney General, the Department of Business, Economic Development, and Tourism, the University of Hawaii Professional Assembly, the Hawaii Government Employees Association, and the United Public Workers. The Department of Budget and Finance, the Department of Education, and the Hawaii Film and Entertainment Board submitted comments. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that the proposed draft of this measure provides wide-ranging initiatives that are needed both to reduce the State's budget and to stimulate the State's economy.

Your Committee has amended this measure by replacing its contents with the contents of the proposed draft and amending the proposed draft as follows:

- (1) Repealing the statutory authority only for the positions of first deputy attorney general, special assistant to the attorney general, administrative services manager, and the secretary to the special assistant to the attorney general and the administrative services manager in the Department of the Attorney General;
- (2) Adding an appropriation of \$400,000 to the Hawaii film office special fund to be expended by the Hawaii Tourism Authority;
- (3) Delaying for one year the effective date of the change to the term of service of public school cafeteria managers and workers;
- (4) Increasing the salary reduction of the Governor, Lieutenant Governor, Justices and Judges, Administrative Director of the State, executive department heads and

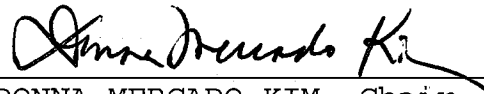


deputies, and Legislators from five per cent to 8.07 per cent for fiscal year 2010-2011;

- (5) Replacing the savings clause provision with a provision to clarify that the measure does not apply to any collective bargaining agreement in existence on the effective date of the measure; and
- (6) Making various technical amendments for purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2690, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2690, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

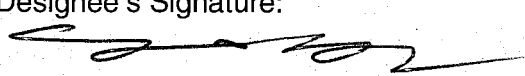


DONNA MERCADO KIM, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 2690	WAM	3/29/10		
<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	9	1	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				

*Only one measure per Record of Votes