

STAND. COM. REP. NO.

159

Honolulu, Hawaii

FEB 14 2011

RE: GOV. MSG. NO. 518

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred Governor's Message No. 518, submitting for study and consideration the nomination of:

DIRECTOR OF THE DEPARTMENT OF BUDGET AND FINANCE

G.M. No. 518 KALBERT K. YOUNG,  
for a term to expire December 1, 2014,

begs leave to report as follows:

The Committee reviewed the personal statement and resume submitted by the nominee and finds Kalbert K. Young to have the necessary qualifications to serve as the Director of Finance.

Your Committee received testimony in support of the nomination of Mr. Young as Director of Finance from Governor Neal Abercrombie; Dean Hirata, Deputy Director of Budget and Finance; Neil Miyahira, Administrator, Budget, Program and Planning Division of the Department of Budget and Finance; Scott Kami, Administrator, Financial Administration Division of the Department of Budget and Finance; Barbara A. Annis, Administrative Services Officer of the Department of Budget and Finance; Wesley K. Machida, Administrator, Employees' Retirement System; Sandra Yahiro, Assistant Administrator, Hawaii Employer-Union Health Benefits Trust Fund; John M. Tonaki, State Public Defender; Riki Hokama, Member, Maui County Council; Charmaine Tavares, former Mayor of Maui County; Maui County Farm Bureau; Maurice Morita, Assistant Director, Hawaii Laborers-Employers Cooperation and Education Trust; and one individual.



Your Committee finds that, consistent with the exemplary comments received on his behalf, his experience for six years as the Director of Finance for Maui County, and an extensive and impressive professional background in management and finance with Kamehameha Schools, Mr. Young has excelled in recent months as the Interim Director of Finance, during which time he has created short-term and long-term strategies for addressing the budgetary challenges faced by Hawaii.

Your Committee finds that, as the former Director of Finance for Maui County, Kalbert K. Young made significant improvements in the county's financial position, including:

- (1) Increasing general fund carryover savings balances;
- (2) Establishing a funding strategy to address Maui County's unfunded liability for non-pension retirement benefits;
- (3) Developing property tax policy that reduced the county real property tax from fiscal years 2004 to 2009; and
- (4) Structuring county bond transactions to refund debt and to take advantage of federal stimulus financing programs.

Kalbert K. Young's successes in Maui County government led the former Mayor of Maui County, Charmaine Tavares, to express her support, testifying, "He is keenly aware of the responsibility of using taxpayers' funds to operate government." Councilmember Riki Hokama noted that Mr. Young "will provide a balanced approach to address the State's fiscal requirements and the steady and wise leadership needed during these challenging times."

In addition to support from his former colleagues in the Maui County government, officials with the Hawaii Department of Budget and Finance who have worked with Mr. Young during his tenure as the Interim Director of Finance offered their support for his nomination. Deputy Director Dean Hirata testified, "His 'no-nonsense approach,' openness to new ideas, and ability to collaborate with others, represents the type of financial leadership I believe the State needs at this time." Other administrators' testimony stated, "He brings with him a wealth of hands-on, finance-related experience, from both the private and

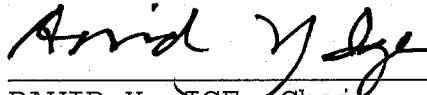


public sectors," and, "Mr. Young's management style encourages staff input and participation and has created a supportive work environment for the Department staff."

Your Committee finds that Kalbert K. Young possesses the skills and abilities necessary to lead the Department of Budget and Finance during the coming years. Mr. Young's management and finance experience and achievements in government and the private sector have prepared him to guide the State in addressing the budgetary and financial challenges that will arise as Hawaii works to achieve financial stability. Accordingly, your Committee supports his confirmation.

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, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.


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

  
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DAVID Y. IGE, Chair



The Senate  
Twenty-Sixth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**  
**Advise and Consent**

Governor's Message No.:* <b>518</b>	Committee Referral: <b>WAM</b>	Date: <b>2/9/11</b>		
<input type="checkbox"/> The Committee is reconsidering its decision				
The Recommendation is: <input checked="" type="checkbox"/> Advise and Consent 2340 <input type="checkbox"/> Not Advise and Consent 2345				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
KIDANI, Michelle N. (VC)				✓
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani	✓			
ESPERO, Will	✓			
FUKUNAGA, Carol	✓			
KIM, Donna Mercado				✓
KAHELE, Gilbert	✓			
KOUCHI, Ronald D.				✓
RYAN, Pohai	✓			
TOKUDA, Jill N.				✓
WAKAI, Glenn	✓			
SLOM, Sam	✓			
<b>TOTAL</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>4</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original      Yellow      Pink      Goldenrod File with Committee Report      Clerk's Office      Drafting Agency      Committee File Copy				

\*Only one Governor's Message per Record of Votes