

STAND. COM. REP. NO.

891

Honolulu, Hawaii

March 4, 2011

RE: H.B. No. 1039  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1039 entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

begs leave to report as follows:

The purpose of this bill is to assist the Department of Transportation (DOT) in addressing state highway transportation infrastructure needs. Among other things, this bill:

- (1) Authorizes DOT to issue revenue anticipation notes and bonds, also known as GARVEE bonds, for legislatively appropriated federal-aid highway program transportation projects;
- (2) Establishes a special trust fund in the State Highway Fund into which shall be deposited proceeds from the sale of GARVEE bonds;
- (3) Establishes criteria for the selection of state federal-aid highway program transportation projects that will be eligible to be financed through the use of GARVEE bonds; and
- (4) Requires the Director of Transportation to submit an annual report to the Governor and Legislature detailing:

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- (A) The total amount of GARVEE bonds issued;
- (B) The projects financed by GARVEE bonds;
- (C) The amount of GARVEE bond proceeds expended on each project;
- (D) The status of the project;
- (E) The estimated date of completion of projects not yet completed;
- (F) The total amount of federal transportation funds paid to the department since the issuance of the GARVEE bonds; and
- (G) The total amount of proceeds from the issuance of GARVEE bonds, state matching funds, and federal transportation funds applied by DOT in each fiscal year for the payment of GARVEE bonds and the costs associated with their issuance and administration.

The Department of Budget and Finance and DOT supported this bill.

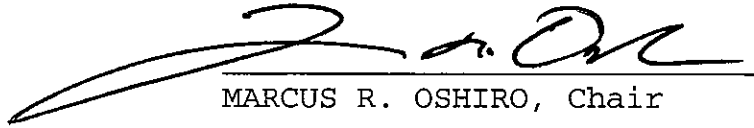
Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1039, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1039, H.D. 1.



Respectfully submitted on  
behalf of the members of the  
Committee on Finance,

  
MARCUS R. OSHIRO, Chair



