

STAND. COM. REP. NO.

162

Honolulu, Hawaii

Feb 10, 2011

RE: H.B. No. 1179  
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 Economic Revitalization & Business, to which was referred H.B. No. 1179 entitled:

"A BILL FOR AN ACT RELATING TO INVESTMENTS,"

begs leave to report as follows:

The purpose of this bill is to improve the management of state funds by:

- (1) Establishing an advisory committee on short-term investments (Advisory Committee);
- (2) Requiring the Commissioner of Financial Institutions (Commissioner) to establish and operate, with the assistance of the Advisory Committee, a short-term investment pool of excess state funds; and
- (3) Repealing existing provisions authorizing the Director of Finance to make short-term investments of excess state funds.

The Department of Budget and Finance (B&F) and the Division of Financial Institutions of the Department of Commerce and Consumer Affairs opposed this bill.

In light of concerns raised in testimony, your Committee has amended this measure by:

HB1179 HD1 HSCR ERB HMS 2011-1871



- (1) Deleting references to the Commissioner and making the Director of Finance the entity responsible for operating, with the assistance of the Advisory Committee, the short-term investment pool;
- (2) Specifying that the Advisory Committee be administratively attached to B&F; and
- (3) Changing its effective date to July 1, 2112, to encourage further discussion.

Technical, nonsubstantive amendments were also made for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Revitalization & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1179, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1179, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Revitalization & Business,



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ANGUS L.K. MCKELVEY, Chair



State of Hawaii  
House of Representatives  
The Twenty-sixth Legislature

HSCR 162

**Record of Votes of the Committee on Economic Revitalization & Business**

Bill/Resolution No.: <b>HB 1179</b>	Committee Referral: <b>ERB, CDC, FIN</b>	Date: <b>2/3/11</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
ERB Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	✓			
2. CHOY, Isaac W. (VC)	✓			
3. AWANA, Karen L.	✓			
4. BROWER, Tom	✓			
5. EVANS, Cindy	✓			
6. HASHEM, Mark J.	✓			
7. NISHIMOTO, Scott Y.	✓			
8. TOKIOKA, James Kunane				✓
9. TSUJI, Cliff	✓			
10. MARUMOTO, Barbara C.	✓			
11. PINE, Kymberly Marcos	✓			
<b>TOTAL (11)</b>	<b>10</b>	<del>0</del>	<del>0</del>	<b>1</b>
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: small;">committee acronym(s)</div>				
Vice Chair's or designee's signature: _____ 				
<b>Distribution:</b> Original (White) – Committee            Duplicate (Yellow) – Chief Clerk's Office            Duplicate (Pink) – HMSO				