

Honolulu, Hawaii

March 2, 2012

RE: H.B. No. 1033

H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2012  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1033 entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC FINANCE,"

begs leave to report as follows:

The purpose of this measure, as received by your Committee, is to allow for the efficient management of limited resources by setting forth the State's allocation of any annual or other limit on the principal amount of bonds that may be issued by issuers within Hawaii, including tax exempt interest, tax credits, interest subsidies or other benefits under the Internal Revenue Code.

For purposes of a public hearing, your Committee circulated a proposed H.D. 1 that deletes the provisions of H.B. No. 1033, as introduced, and instead contains language that establishes the Clean Economy Bank of the State of Hawaii.

The State Representative of District 42 of the State of Oregon, Applied Solutions, Pacific Biodiesel, Hawaiian Electric Vehicle Network, Hawaii LECET, and several individuals testified in support of this measure. The Department of Budget and Finance and the Hawaii Bankers Association opposed this measure. The Department of Commerce and Consumer Affairs, Office of Information Practices, IMUAlliance, and an individual commented on this measure.

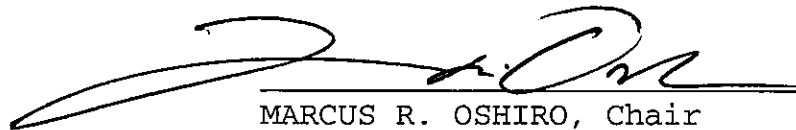


Your Committee has amended this measure by deleting its contents and:

- (1) Inserting the language of the proposed H.D. 1 version, the purpose of which is to establish the Clean Economy Bank of the State of Hawaii to, among other things:
  - (A) Enable the State, along with other participating states, territories, and municipalities, to leverage aligned resources and collective influence to build a national clean economy;
  - (B) Support clean economic development; and
  - (C) Lessen the burden on the State and other participating states, territories, and municipalities to finance clean economy projects; and
- (2) Making additional amendments to:
  - (A) Change the effective date of the measure to July 1, 2030, to facilitate further discussion; and
  - (B) Make 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. 1033, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1033, H.D. 1, and be placed on the calendar for Third Reading.

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



MARCUS R. OSHIRO, Chair



