

STAND. COM. REP. NO.

1130

Honolulu, Hawaii

APR 08 2011

RE: H.B. No. 1179
H.D. 3
S.D. 1

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 H.B. No. 1179, H.D. 3, entitled:

"A BILL FOR AN ACT RELATING TO INVESTMENTS,"

begs leave to report as follows:

The purpose and intent of this measure is to establish an advisory committee on short-term investments to assist the Director of Finance in making short-term investments.

In addition, this measure clarifies the conditions regarding short-term investment of state moneys.

Your Committee received testimony in support of this measure from Kalbert K. Young, Director, Department of Budget and Finance.

Your Committee finds this measure will help to improve the State's money management capabilities. Your Committee believes that the State's recent, financially disadvantageous experience with investments in student loan auction rate securities highlights the State's need for expert assistance in making future short-term investment decisions. Your Committee notes its firm intent that the advisory committee and its consultants include local investment industry advisors and agents.

Your Committee has amended this measure by:



- (1) Clarifying that two members of the advisory committee, rather than being appointed by Hawaii Bankers Association, are to be appointed by the Governor to represent banks that are chartered or licensed in the State; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and style.

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. 1179, H.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1179, H.D. 3, 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,



DAVID Y. IGE, Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1179, HD3	WAM	4-7-11		
<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
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				/
TOTAL	13	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Michelle N. Kidani</i>				
Distribution: Original Yellow Pink Goldenrod				
File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes