

STAND. COM. REP. NO.

990

Honolulu, Hawaii

MAR 31 2011

RE: H.B. No. 79
H.D. 1
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. 79, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO STATE FUNDS,"

begs leave to report as follows:

The purpose and intent of this measure is to repeal, terminate, or close certain revolving funds and trust funds. In addition, this measure requires state agencies to report to the 2012 Legislature on their non-general funds.

Your Committee received testimony in opposition to this measure from Gail P. Tiwanak, Director, Hawaii State Center for Nursing; and Alan Johnson, Chairperson, Hawaii Substance Abuse Coalition.

Your Committee received comments on this measure from Kalbert K. Young, Director, Department of Budget and Finance; Bruce A. Coppa, Comptroller, Department of Accounting and General Services; Dwight Takamine, Director, Department of Labor and Industrial Relations; Keali'i S. Lopez, Director, Department of Commerce and Consumer Affairs; Denise M. Wise, Hawaii Public Housing Authority; Tax Foundation of Hawaii; and Michael Kahikina, Executive Director, Kahikolu 'Ohana Hale 'O Wai'anae.

Your Committee believes that the repeal of special funds will restore accountability and transparency in government operations. However, rather than requiring state agencies to produce another

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annual report, your Committee finds that allowing agencies to transmit the information as part of a department's budget testimony package for the 2012 Legislature will increase efficiency, save time and resources, and prevent duplicity in reporting.

Your Committee has amended this measure by:

- (1) Deleting the reporting requirements and the automatic termination of funds for failure to report to the Legislature;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical, nonsubstantive amendments for the purposes of style, clarity, and consistency.

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. 79, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 79, H.D. 1, 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 79, HD)	WAM	3-23-11		
<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	11	0	0	3
Recommendation:				
<input checked="" type="checkbox"/> Adopted		<input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:				
<i>Michelle N. Kidani</i>				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes