

TESTIMONY BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
HOUSE BILL NO. 2246, H.D. 2, S.D. 1

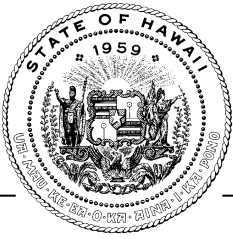
March 29, 2012

RELATING TO HAIKU VALLEY

House Bill No. 2246, H.D. 2, S.D. 1, establishes the Haiku Valley Cultural Preserve Commission to provide policy and management oversight of the Haiku Valley cultural preserve and creates the Haiku Valley Cultural Preserve Trust Fund to administer the program.

While the Department of Budget and Finance does not take any position on establishment of the Haiku Valley Cultural Preserve Commission, as a matter of general policy, the department does not support the creation of special funds which do not meet the requirements of Section 37-52.3, Hawaii Revised Statutes. Special or revolving funds should: 1) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries of the program; 2) provide an appropriate means of financing for the program or activity; and 3) demonstrate the capacity to be financially self-sustaining. In regards to House Bill No. 2246, H.D. 2, S.D. 1, it is difficult to determine whether the fund will be self-sustaining.

I encourage the Legislature to scrutinize the fiscal and operational plan for this program to ensure that it does conform to the requirements of Section 37-52.3, Hawaii Revised Statutes.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

NEIL ABERCROMBIE
GOVERNOR
RICHARD C. LIM
DIRECTOR
MARY ALICE EVANS
DEPUTY DIRECTOR
JESSE K. SOUKI
DIRECTOR
OFFICE OF PLANNING

OFFICE OF PLANNING

235 South Beretania Street, 6th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone: (808) 587-2846
Fax: (808) 587-2824

Statement of
JESSE K. SOUKI
Director, Office of Planning
Department of Business, Economic Development, and Tourism
before the
SENATE COMMITTEE ON WAYS AND MEANS
Thursday, March 29, 2012
9:00 AM
State Capitol, Conference Room 211

in consideration of
HB 2246 HD2 SD1
RELATING TO HAIKU VALLEY.

Chair Ige, Vice Chair Kidani and Members of the Senate Committee on Ways and Means.

H.B. 2246 HD 2 SD1 establishes the Haiku Valley Cultural Preserve Commission. Section 3 of the bill should be deleted or revised. Section 3 directs the Office of Planning (OP) and Department of the Attorney General to initiate the conveyance of Haiku valley in fee simple to the Department of Land and Natural Resources. OP does not own land in Haiku valley and is not involved in the conveyance of property.

Thank you for the opportunity to provide testimony on this measure.