

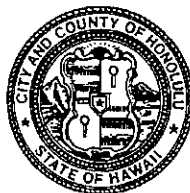
HB 2347

RELATING TO GENERAL OBLIGATION BONDS FOR REVENUE-PRODUCING UNDERTAKINGS.

Permits the pledging of receipts other than real property tax and revenues as defined by the state constitution.

DEPARTMENT OF BUDGET AND FISCAL SERVICES
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MICHAEL R. HANSEN
DIRECTOR

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DEPUTY DIRECTOR

Testimony of
MICHAEL R. HANSEN
Director of Budget and Fiscal Services
City and County of Honolulu

Before the Senate Committee on
PUBLIC SAFETY, GOVERNMENT OPERATIONS AND MILITARY AFFAIRS

Tuesday, March 13, 2012
2:50 p.m.
State Capitol, Conference Room 224

In consideration of
HOUSE BILL 2347
RELATING TO GENERAL OBLIGATION BONDS FOR REVENUE-PRODUCING
UNDERTAKINGS

The City and County of Honolulu (City) supports the adoption of House Bill 2347.

The proposed amendment to HRS Chapter 47-4 would allow the City to pledge certain receipts (including but not limited to rates, rentals, fees, charges, taxes, state or federal grants) in addition to real property taxes to secure its general obligation bonds. Such an additional pledge would provide greater security for bondholders, thereby possibly lowering borrowing costs and strengthening the City's bond ratings.

Thank you for this opportunity to testify before you.

If you have any questions, please call me at 768-3900.