

Honolulu, Hawaii
March 24, 2016

RE: S.B. No. 2277
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Human Services, to which was referred S.B. No. 2277 entitled:

"A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR GOODWILL INDUSTRIES OF HAWAII, INC,"

begs leave to report as follows:

The purpose of this measure is to authorize the issuance of \$20,000,000 in special purpose revenue bonds (SPRBs) to assist Goodwill Industries of Hawaii, Inc., and its affiliates with the planning, acquisition, construction, furnishing, and renovation of its facilities, as well as to assist them with other capital improvement projects in the State.

Goodwill Industries of Hawaii, Inc. and an individual supported this measure. The Department of the Attorney General and Department of Budget and Finance provided comments.

Your Committee notes the concern raised by the Department of the Attorney General in its testimony that the project described in this measure may be subject to challenge as not falling within the scope of "industrial enterprise" under article VII, section 12 of the Hawaii State Constitution, and that the project may not qualify as an "industrial enterprise" for the purpose of SPRBs.

Your Committee has amended this measure by changing the amount of SPRBs authorized to be issued from \$20,000,000 to an unspecified amount.



Should your Committee on Finance deliberate on this measure further, your Committee on Human Services respectfully requests that it consider authorizing \$20,000,000 in SPRBs to assist Goodwill Industries of Hawaii, Inc., and its affiliates.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2277, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2277, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Human Services,



DEE MORIKAWA, Chair



