



Testimony by:
FORD N. FUCHIGAMI
DIRECTOR

Deputy Directors
JADE T. BUTAY
ROSS M. HIGASHI
EDWIN H. SNIFFEN
DARRELL T. YOUNG

IN REPLY REFER TO:

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

February 3, 2017
9:30 a.m.
State Capitol, Room 211

S.B. 721
RELATING TO DEPARTMENTAL ADMINISTRATIVE EXPENSES

Senate Committee on Ways and Means

The Department of Transportation (DOT) appreciates the opportunity to comment on this bill to repeal section 36-30, HRS, which authorizes the assessment of special funds for departmental administrative expenses and transfer of the assessment to the general fund. And a related section 36-27, HRS, also allows the director of finance to assess five percent of all special fund receipts for central service expenses of government in relation to all special funds, except for those exempt from this section.

While the bill indicates the departmental administrative expense assessments do not generate substantial revenues for the general fund, the DOT does contribute a substantial amount to this fund.

The DOT will collaborate with the director of budget and finance to arrive at a fair and more equitable distribution of administrative expense assessments of all DOT special funds. We will also review additional departmental assessments through memorandums of agreements and memorandums of understanding with these departments.

Thank you for the opportunity to provide testimony.