

EXECUTIVE CHAMBERS

HONOLULU

LINDA LINGLE

July 12, 2006

GOV. MSG. NO. 864

The Honorable Robert Bunda, President and Members of the Senate Twenty-Third State Legislature State Capitol, Room 003 Honolulu, Hawaii 96813

Dear Mr. President and Members of the Senate:

Re: HB1923 HD1 SD2 CD1

On July 11, 2006, House Bill No. 1923, entitled "A Bill for an Act Relating to the Hawaii Tourism Authority" became law without my signature, pursuant to Section 16 of Article III of the Constitution of the State of Hawaii.

This bill extends the sunset provision of Act 58 SLH 2004 relating to the Hawaii Tourism Authority (HTA) which allows HTA to appoint or retain attorneys independent of the Attorney General, exempts the Authority from audit and accounting provisions under the Department of Accounting and General Services, and allows the board of directors of the Authority to appoint a sports coordinator exempt from civil service, and pension and retirement laws until June 30, 2010.

This bill is objectionable because it allows the Hawaii Tourism Authority to operate outside the safeguards of State law, continues to micromanage the personnel decisions of the Authority, and creates potential legal difficulties for the State. The exemption from the accounting and auditing provisions of Chapter 40 allows the HTA to spend moneys without regard to transparency, controls, and accountability for funds managed by the State Comptroller.

Additionally, the authorization to hire attorneys independent of the Attorney General potentially creates legal difficulties for the State. As I stated in 2004, retention of special counsel by the HTA can result in inconsistent legal advice when adequate counsel already exists in the Attorney General's office.

Second, the bill continues in statute a provision that contradicts section 26-39 of the Hawaii Revised Statutes that provides for the establishment of positions deemed necessary to carry out the functions of agencies and departments. This bill instructs the Hawaii Tourism Authority to continue an exempt sports coordinator position without regard to personnel laws.

The Honorable Robert Bunda, President and Members of the Senate Page 2

In 2004, the Legislature passed House Bill 2608, which I returned to the Legislature, indicating I believed the bill should not become law. The concerns I raised at that time are still applicable to this bill.

Therefore, for the foregoing reasons, I allowed House Bill No. 1923 to become law as Act 306 effective July 11, 2006 without my signature.

Sincerely,

LINDA LINGLE

H.B. NO.

A BILL FOR AN ACT

RELATING TO THE HAWAII TOURISM AUTHORITY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- SECTION 1. Section 14 of Act 58, Session Laws of Hawaii 1 2004, as amended by section 50 of Act 22, Session Laws of Hawaii 2 2005, is amended to read as follows: 3 "SECTION 14. This Act shall take effect upon its approval; 4 5 provided that: The amendments made to sections 40-1, 40-4, and 40-6, 6 (1)Hawaii Revised Statutes, by part I of this Act shall 7 not be repealed when those sections are reenacted on 8 June 30, $[\frac{2005}{r}]$ 2006, by section $[\frac{24}{r}]$ 1 of Act $[\frac{115}{r}]$ 9 10 137, Session Laws of Hawaii [1998;] 2005; Part I shall be repealed on June 30, [2007,] 2010, and 11 (2) sections 28-8.3, 201B-2, and 201B-11, Hawaii Revised 12 read on May 5, 2004, and sections 40-1, 40-4, and
- Statutes, shall be reenacted in the form in which they 13 14 40-6, Hawaii Revised Statutes, shall be reenacted in 15 the form in which they read on June 30, 1986; and 16
- Section 9 shall take effect on July 1, 2004." 17 (3)

- 1 SECTION 2. Statutory material to be repealed is bracketed
- 2 and stricken. New statutory material is underscored.
- 3 SECTION 3. This Act shall take effect upon its approval.

HB No. 1923 HD 1 SD 2 CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 2, 2006 Honolulu, Hawaii

We hereby certify that the foregoing Bill on this day passed Final Reading in the House of Representatives of the Twenty-Third Legislature of the State of Hawaii, Regular Session of 2006.

Calvin K.Y. Say

Speaker

House of Representatives

Patricia Mau-Shimizu Chief Clerk House of Representatives

THE SENATE OF THE STATE OF HAWAII

Date: May 2, 2006 Honolulu, Hawaii

We hereby certify that the foregoing Bill on this day passed Final Reading in the Senate of the Twenty-Third Legislature of the State of Hawaii, Regular Session of 2006.

Robert Bunda

President of the Senate

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Paul Kawaguchi Clerk of the Senate