

STAND. COM. REP. NO.

1316

Honolulu, Hawaii

APR 09 2009

RE: H.B. No. 900
H.D. 2
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 900, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE BUDGET OF THE OFFICE OF HAWAIIAN AFFAIRS,"

begs leave to report as follows:

The purpose of this bill is to appropriate funds for the operating and capital improvement budget of the Office of Hawaiian Affairs for the fiscal biennium July 1, 2009, through June 30, 2011.

Your Committee received two comments on this measure. The written comments may be reviewed on the Legislature's website.

Your Committee has provided full funding for all of the Office of Hawaiian Affairs's operating-budget initiatives through the appropriation of trust funds. In total, the Office of Hawaiian Affairs's budget is \$38,587,075 in trust fund moneys for the first fiscal year, and \$38,169,075 in trust fund moneys for the second fiscal year of the upcoming biennium.

The budget for the Office of Hawaiian Affairs has remained relatively stable over the past several years. Realizing the sacrifice being made by all departments in light of the current economic situation, the Office of Hawaiian Affairs has submitted testimony in support of a twenty per cent reduction to its operating budget.

HB900 SD1 SSCR LRB 09-3478.doc



The Office of Hawaiian Affairs has over \$300,000,000 in trust funds for its use, and receives annual payments from the State of no less than \$15,100,000. In addition, the Office of Hawaiian Affairs received a sum of \$2,030,000 in the Hokuli'a lawsuit for legal fees (Kelly v. Oceanside). The State has allowed the Office of Hawaiian Affairs to retain the entire settlement and to collect interest on the principal amount awarded. Rather than requiring the State to claim its share of the settlement money, your Committee recommends that the money be retained by the Office of Hawaiian Affairs as a one-time infusion of funds to support the continuation of the Office of Hawaiian Affairs's programs in fiscal year 2010.

There exists for the Office of Hawaiian Affairs a fiscal reserve account for one-time or emergency expenses. Your Committee finds that if the Office of Hawaiian Affairs is temporarily unable to maintain its current level of services with the maximum number of dollars that may be spent from its trust fund, the Office of Hawaiian Affairs could use the account until the return on its trust fund improves.

Your Committee recognizes the importance of the services and advocacy the Office of Hawaiian Affairs provides its beneficiaries, the need to ensure that the Office of Hawaiian Affairs has the resources to continue providing these services, and the need for the Office of Hawaiian Affairs to be financially prudent and to use all available financial resources wisely. Accordingly, your Committee finds that the Office of Hawaiian Affairs is able to support its activities and contracts through the use of its trust fund. Your Committee has appropriated trust fund moneys to completely fund the budgeted expenditures of the Office of Hawaiian Affairs for the upcoming biennium.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 900, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 900, H.D. 2, S.D. 1.



Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DONNA MERCADO KIM, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* HB 900 #D2	Committee Referral: WTL , WAM	Date: APRIL 7 2009		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
KIM, Donna Mercado (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
FUKUNAGA, Carol	/			
GALUTERIA, Brickwood	/			
HEE, Clayton				/
HOOSER, Gary L.	/			
KIDANI, Michelle N.	/			
KOKUBUN, Russell S.	/			
TOKUDA, Jill N.	/			
HEMMINGS, Fred	/			
TOTAL	11	0	0	1
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: 				
Distribution: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div>Original File with Committee Report</div> <div>Yellow Clerk's Office</div> <div>Pink Drafting Agency</div> <div>Goldenrod Committee File Copy</div> </div>				

***Only one measure per Record of Votes**