

STAND. COM. REP. NO. **3101**

Honolulu, Hawaii

APR 09 2010

RE: S.C.R. No. 233
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred
S.C.R. No. 233 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THE STATE ATTORNEY
GENERAL TO INVESTIGATE ACTIVITIES SURROUNDING THE STATE'S
PURCHASE OF AUCTION RATE SECURITIES AND TO TAKE LEGAL ACTION
AS APPROPRIATE,"

begs leave to report as follows:

The purpose of this concurrent resolution is to request the
Attorney General to investigate activities surrounding the State's
purchase of auction rate securities and to take legal action, as
appropriate.

Your Committee finds that the State's holdings of student
loan auction rate securities have declined in market value from
\$1,000,000,000 to approximately \$750,000,000 because of a collapse
in the auction rate securities market. The State, therefore, has
been unable to sell its securities at this time without incurring
a \$250,000,000 loss. Your Committee further finds that it is
necessary to protect the public interest by investigating the
State's purchase of auction rate securities and taking legal
action if necessary.

Your Committee finds that concerns have been raised regarding
whether the Attorney General should be the party to conduct the
investigation.



Accordingly, your Committee has amended this concurrent resolution by:

- (1) Providing that the Legislature may contract with a private attorney to conduct the investigation if the Legislature determines that the Attorney General either has a conflict of interest or has taken positions on relevant issues that may raise questions as to the Attorney General's objectivity in conducting the investigation; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and style.

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 concurs with the intent and purpose of S.C.R. No. 233, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 233, 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.:* <div style="font-size: 1.5em; font-family: cursive;">SCR 233</div>	Committee Referral: <div style="font-size: 1.5em; font-family: cursive;">WAM</div>	Date: <div style="font-size: 1.5em; font-family: cursive;">3.31.10</div>		
<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-around; align-items: flex-end;"> <div> <input type="checkbox"/> Pass, unamended 2312 </div> <div> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div> <input type="checkbox"/> Hold 2310 </div> <div> <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	12	0	0	0
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: <div style="font-size: 1.5em; font-family: cursive; margin-top: 10px;">  </div>				
Distribution: <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <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