

WRITTEN ONLY

TESTIMONY BY KALBERT K. YOUNG  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
STATE OF HAWAII  
TO THE HOUSE COMMITTEE ON FINANCE  
HOUSE BILL NO. 304, PROPOSED H.D. 1

February 29, 2012

RELATING TO STATE FINANCES.

House Bill No. 304, Proposed H.D. 1, proposes to amend Chapter 39C, Hawaii Revised Statutes, by adding a new section which allows the Department of Budget and Finance to enter into agreements with other bond issuers to pool bond allocations.

The Department has a concern with this bill. According to the State's bond counsel, there are federal tax regulations that would prevent the State from pooling our bond allocations with other states. The pooling of bond allocations between the State and local municipalities is allowed and currently provided for in Chapter 39C, HRS.

Thank you for the opportunity to provide testimony on this measure.

Rep. Marcus R. Oshiro, Chair  
Rep. Marilyn B. Lee, Vice Chair  
HOUSE COMMITTEE ON FINANCE

HEARING: Wednesday, February 29, 2012 at 11:30am in conference room 308

**Supporting** House Bill 304 relating to State Finances

Chair Oshiro, Vice Chair Lee and members of the committee,

I am supportive of all four bills on Agenda #2 today. I commend this committee for its entrepreneurial efforts and thank you for the opportunity to explain my support in person.

Mahalo,  
Ian Chan Hodges  
Haiku, Hawaii