

STAND. COM. REP. NO.

557

Honolulu, Hawaii

MAR 05 2015

RE: S.B. No. 105  
S.D. 1

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Eighth State Legislature  
Regular Session of 2015  
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 105 entitled:

"A BILL FOR AN ACT RELATING TO THE BUDGET,"

begs leave to report as follows:

The purpose and intent of this measure is to require budget documents submitted to the Legislature, including those submitted by the Judiciary, to include the estimated future debt service of proposed capital improvement projects.

Your Committee received comments on this measure from the Department of Budget and Finance and the University of Hawaii.

Your Committee finds that the Legislature's task of balancing the budget is complicated. Including anticipated costs in a budget should be a standard budgetary procedure. The use of forward-looking financial plans are valuable for identifying known or potential cost items and is a matter of best practices in budgeting. Your Committee finds that the additional information on debt service costs to be submitted to the Legislature in each six-year program and financial plan and budget will result in a comprehensive budget that more accurately reflects costs to the State over the following six-year period.

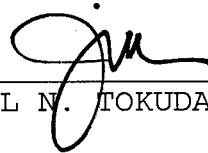
Your Committee has amended this measure by simplifying it to require a summary of debt service for the following:



- (1) Capital improvement projects for which the appropriations are proposed in the six-year financial plan period; and
- (2) Capital improvement projects for which the appropriations were approved before the six-year financial plan period.

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 S.B. No. 105, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 105, S.D. 1, and be placed on the calendar for Third Reading.

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



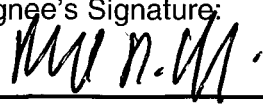
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JILL N. TOKUDA, Chair



The Senate  
 Twenty-Eighth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

|  |                                   |                         |          |          |
|--|-----------------------------------|-------------------------|----------|----------|
| Bill / Resolution No.:*<br><b>SB105</b>  | Committee Referral:<br><b>WAM</b> | Date:<br><b>2/13/15</b> |          |          |
| <input type="checkbox"/> The Committee is reconsidering its previous decision on this measure.<br>If so, then the previous decision was to: _____  |                                   |                         |          |          |
| The Recommendation is:<br><input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313 |                                   |                         |          |          |
| Members  | Aye                               | Aye (WR)                | Nay      | Excused  |
| TOKUDA, Jill N. (C)  | ✓                                 |                         |          |          |
| KOUCHI, Ronald D. (VC)   | ✓                                 |                         |          |          |
| CHUN OAKLAND, Suzanne  | ✓                                 |                         |          |          |
| DELA CRUZ, Donovan M.  |                                   |                         |          | ✓        |
| ENGLISH, J. Kalani   | ✓                                 |                         |          |          |
| GALUTERIA, Brickwood   | ✓                                 |                         |          |          |
| HARIMOTO, Breene   | ✓                                 |                         |          |          |
| INOUYE, Lorraine R.  | ✓                                 |                         |          |          |
| RIVIERE, Gil   |                                   |                         |          | ✓        |
| RUDERMAN, Russell E.   |                                   |                         |          | ✓        |
| SLOM, Sam  |                                   |                         |          | ✓        |
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|  |                                   |                         |          |          |
| <b>TOTAL</b>   | <b>7</b>                          | <b>0</b>                | <b>0</b> | <b>4</b> |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted   |                                   |                         |          |          |
| Chair's or Designee's Signature:<br>  |                                   |                         |          |          |
| <b>Distribution:</b> Original             Yellow             Pink             Goldenrod<br>File with Committee Report             Clerk's Office             Drafting Agency             Committee File Copy     |                                   |                         |          |          |

\*Only one measure per Record of Votes