

STAND. COM. REP. NO.

558

Honolulu, Hawaii

MAR 05 2015

RE: S.B. No. 253
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. 253 entitled:

"A BILL FOR AN ACT RELATING TO STATE DEBT,"

begs leave to report as follows:

The purpose and intent of this measure is to require the Director of Finance to submit to the Legislature a state debt management policy prior to the 2016 Regular Session and a debt affordability study prior to every Regular Session in an odd-numbered year thereafter.

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

Your Committee finds that the Department of Budget and Finance is currently evaluating the establishment and adoption of a debt management policy and debt affordability study to provide established guidelines and policies in the issuance and administration of the State's general obligation bonds. However, your Committee believes that a formalized debt management policy and debt affordability study, as proposed under this measure, will promote transparency in budget-making and more informed decision-making with respect to authorizations for capital improvement projects and debt issuance.

Your Committee notes that, if the appropriations made under this measure are insufficient to cover the costs of preparing the state debt management policy and the debt affordability study, the

SB253 SD1 SSCR LRB 15-1218.doc



Director of Finance is encouraged to submit to the Legislature a cost estimate to prepare the state debt management policy and debt affordability study and a request for an appropriation for this purpose.

Your Committee has amended this measure by extending the deadline for the submission of the state debt management policy from the Regular Session of 2016 to the Regular Session of 2017.

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. 253, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 253, 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,



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.:* SB253	Committee Referral: WAM	Date: 2/11/15		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <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	✓			
TOTAL	10	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:	Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy

*Only one measure per Record of Votes