

Honolulu, Hawaii

April 27, 2017

RE: H.B. No. 1588
H.D. 1
S.D. 1
C.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 1588, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO GENERAL OBLIGATION BONDS,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to promote fiscally responsible funding of repair and maintenance projects in the State by:

- (1) Prohibiting the issuance of general obligation bonds to finance the repair and maintenance of a capital asset with a depreciable life of less than ten years from the date the asset was first placed into service; and
- (2) Requiring the Director of Finance to set a maturity date of not more than ten years when issuing general obligation bonds to finance the repair and maintenance of a capital



asset with a depreciable life of ten years or more from the date the asset was first placed into service.

Your Committee on Conference has amended this measure by:


- (1) Prohibiting the issuance of general obligation bonds to finance the repair and maintenance of a capital asset where the repair or maintenance costs incurred add value to and prolong the life of the asset for a period of less than ten years; and
- (2) Requiring the Director of Finance to set a maturity date of not more than ten years when issuing general obligation bonds to finance the repair and maintenance of a capital asset where the repair or maintenance costs incurred add value to and prolong the life of the asset for a period of ten years or more.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1588, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1588, H.D. 1, S.D. 1, C.D. 1.


Respectfully submitted on behalf
of the managers:

ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE



JILL N. TOKUDA
Chair



KYLE T. YAMASHITA
Chair



Hawaii State Legislature
Record of Votes of a
Conference Committee

CCR 22

Bill / Concurrent Resolution No.: HB 1588, HD 1, SD 1	Date/Time: <i>4/25/17 1:30 p.m.</i>
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
TOKUDA, Jill N., Chr.	/				YAMASHITA, Kyle T., Chr.	/			
DELA CRUZ, Donovan M.	/				CHOY, Isaac W.	/			
ENGLISH, J. Kalani	/				TUPOLA, Andria P.L.				/
TOTAL	<i>3</i>				TOTAL	<i>2</i>			<i>1</i>

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature:
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