



HB 899
RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS

House Committee on Hawaiian Affairs

February 11, 2009
Room 329

9:30 a.m.

Aloha Chair Carroll, Vice Chair Shimabukuro, and Members.
OHA strongly supports House Bill No. 899 Relating to the Office
of Hawaiian Affairs.

The purpose of this bill is to clarify and strengthen OHA's existing authority to issue revenue bonds. OHA already has authority to issue its own revenue bonds, under Chapter 10, Hawaii Revised Statutes. This bill makes it clear that no other law need be enacted to authorize the principle amounts of a particular OHA revenue bond issuance, and that the OHA Board of Trustees can issue revenue bonds without further authorization or approval.

The bill also clarifies the variety of revenue sources that OHA can draw upon to meet the requirement that a project financed by OHA bonds be self-supporting. In addition, the bill makes a number of technical changes in OHA's existing bond statute to make it consistent, where appropriate, with other State of Hawaii bond statutes and current government-bond practice.

This bill represents a gradual evolution of existing law, largely in technical areas, and not a substantial departure from existing law. The bill simply updates and clarifies OHA's bond statute, which was enacted in 1994. The changes are designed to put OHA in the best possible position to enter the bond market on a solid footing at a time when the Hawaii and national economies are creating a new impetus for OHA to seek alternative sources of funding for its project.

We urge your Committee to respond favorably to this bill.

Mahalo for the opportunity to testify.