

EXECUTIVE CHAMBERS

HONOLULU

July 10, 2007

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 1659

Honorable Members
Twenty-Fourth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1659, entitled "A Bill for an Act Relating to Procurement."

The purpose of this bill is to require that all funds received by, on behalf of, or for the benefit of a governmental body pursuant to a solicitation by a governmental body to pay for the costs of State-sponsored trips and other efforts to generate business opportunities, be deposited in the General Fund, to be disbursed pursuant to legislative appropriation. The bill also appropriates \$50,000 in Fiscal Year 2007-2008 only to cover costs for such public-private marketing endeavors.

This bill is objectionable because it would compromise the effectiveness of State agencies such as the Department of Business and Economic Development (DBEDT), Department of Agriculture, and the High Technology Innovation Corporation in their efforts to coordinate trade shows and endeavors that

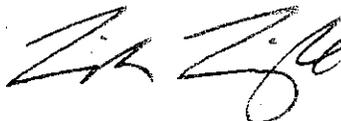
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feature and highlight many of Hawaii's businesses and business opportunities. While the bill would allow such agencies to solicit partnership funds from the private sector, those funds would be deposited into the General Fund and there is no assurance that the agency that solicited the funds would have access to the funds for the specific purpose for which they were contributed.

Furthermore, this bill would result in the use of public dollars to purchase trade show booths, exhibit space, convention fees, and marketing expenses that should be borne by the private businesses and firms that directly benefit from these activities. It is inappropriate and poor fiscal policy to ask the taxpayers of the State of Hawaii to subsidize profitable, private firms.

For the foregoing reasons, I am returning House Bill No. 1659 without my approval.

Respectfully,

A handwritten signature in black ink, appearing to read "Linda Lingle", written in a cursive style.

LINDA LINGLE
Governor of Hawaii