

EXECUTIVE CHAMBERS

HONOLULU

July 10, 2007

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 30

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. 30, entitled "A Bill for an Act Relating to International Trade Agreements."

The purpose of this bill is to prohibit the Governor from agreeing to bind the State in international trade agreements that contain procurement provisions between the United States and another nation without the approval of the Legislature by a simple majority vote on a concurrent resolution. This bill requires the Governor to notify the President of the Senate and the Speaker of the House of Representatives if the federal government seeks the State's participation in an international trade agreement when the Legislature is not in session. The Legislature may then consider the approval of the agreement's procurement provisions in a special session.

This bill is objectionable because it curtails the Governor's authority by requiring legislative approval for the State to enter into international trade agreements that relate to environmental, health, safety, and procurement issues where State standards may apply. This is an area that has traditionally been recognized as within the scope of executive responsibility.

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Second, this bill would hinder the ability of the State to enter into international trade agreements and respond to the federal government in a timely manner because the federal government often requests states to consent within a limited period of time. When the Legislature is not in session, the agreement could not take effect until, and if, a special session was called, which will incur additional taxpayer-funded costs to bring the legislators back into session. If the Legislature failed to convene or to enact a concurrent resolution during a special or regular session, the State of Hawaii would be precluded from participation in the Agreement.

The procurement provisions of these international trade agreements are usually reciprocal. If the Legislature cannot or does not act in time to commit the State to consent to those reciprocal agreements, there may be adverse consequences for businesses in Hawaii. The Department of Accounting and General Services believes, and I agree, that the Legislature's involvement in the review of these international agreements could result in foreign companies not conducting business in Hawaii and Hawaii companies being subject to tariff and trade barriers.

For the foregoing reasons, I am returning House Bill No. 30 without my approval.

Respectfully,



LINDA LINGLE
Governor of Hawaii