



## HOUSE OF REPRESENTATIVES

STATE OF HAWAII  
STATE CAPITOL  
HONOLULU, HAWAII 96813

March 21, 2011

The Honorable Neil Abercrombie  
Governor, State of Hawaii  
Fifth Floor, State Capitol Building  
Honolulu, Hawaii 96813

### Re: Urgent Budget Actions

Dear Governor Abercrombie:

As members of the State House of Representatives, we are deeply concerned with the growing budget gap facing our state. As you know, the Council on Revenues recently reduced their projected revenue levels by \$266 million.

This projection was made prior to the tragic earthquake and tsunami that ravaged Japan, our most important overseas travel partner. Some are predicting this disaster could result in an additional \$200-250 million in lost revenues to the State as a result of reduced tourism.

Given this situation, the House Republican Caucus is asking you to take immediate steps to curtail state spending. We urge you to follow the leadership of the previous governor who, when confronted with a budget gap in 2009, suspended State travel, stopped purchases of non-health and safety related equipment and supplies, and froze the filling of State positions. Additionally, we would recommend you delay discretionary budget increases proposed in your February 22, 2011 budget message, such as the increased EUTF contributions.

These are actions you can take as Chief Executive of the State without legislative approval. Further, they are prudent actions that a CEO would consider in most businesses when anticipating a drop in revenues.

As members of the House Republican Caucus we would welcome the opportunity to discuss these suggestions with you, as well as share with you our ideas to maintain the fiscal stability of the State of Hawaii.

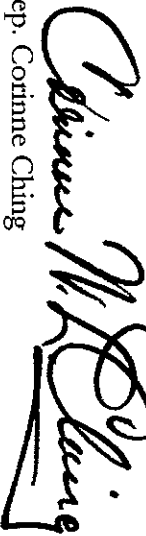
Sincerely,

Representative Gene Ward  
Minority Leader  
District 17: Hawaii Kai – Kalama Valley

Rep. Kymberly Marcos Pine  
Minority Floor Leaders  
District 43: Ewa Beach, Iroquois Pt, Puuloa



Rep. Barbara Marumoto  
Minority Policy Leader  
District 19: Kaimuki, Waialae, Kahala



Rep. Corinne Ching  
Asst. Minority Floor Leader  
District 27: Nuanuu, Puupuu, Liliha, Alewa Heights



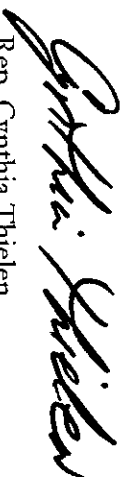
Rep. George Fontaine  
Minority Whip  
District 11: Makena, Wailea, Kihei



Rep. Aaron Ling Johanson  
Minority Whip  
District 32: Lower Pearlridge, Aiea, Halawa,  
Pearl Harbor, Foster Village, Moanaloa Gardens



Rep. Gil Riviere  
Minority Whip  
District 46: Kunia Camp, Poamoho  
Schofield, Waialua, Haleiwa, Laie  
Pupukea, Mokualea, Sunset



Rep. Cynthia Thielen  
Asst. Minority Leader  
District 50: Kaneohe Bay, Kailua