TESTIMONY BY GEORGINA K. KAWAMURA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 1734

February 18, 2009

RELATING TO MANAGEMENT OF STATE FUNDS

House Bill No. 1734 repeals the exemption of special funds from the assessment for central service expenses and increases the assessment rate from 5% to 6% for fiscal years 2010 to 2015.

We support moving this bill forward to foster continued discussions. During these difficult times and considering the grave fiscal condition we are facing, all options must be kept open. While it is recognized that this bill may be unpopular, we will need to make difficult decisions to address our budget shortfall and ensure the fiscal health of our State. We defer discussion of the impact of this bill on individual special funds to the departments.

Based on Fiscal Year 2008 revenues, it is estimated that increasing the assessment rate by 1% would increase collections by $7.5 million. By removing the exemptions and increasing the rate, it is estimated that assessments for central service expenses would increase by $66 million, from $37.5 million to $103.5 million. It is noted, however, that almost 64% or $42 million of the increase would be from three previously exempted sources: the State Educational Facilities Improvement Special Fund, Hawaii Health Systems Corporation Special Funds and special funds of the University of Hawaii. In addition, $3.6 million would be from the Deposit Beverage Container Deposit Special Fund from which $10 million is being proposed by House Bill No.1066 for transfer to the general fund in Fiscal Year 2010.

LINDA LINGLE
Governor

LLOYD I. UNEBASAMI
Interim President and
Chief Executive Officer

Hawai'i Tourism Authority

Hawai'i Convention Center, 1801 Kalākaua Avenue, Honolulu, Hawai'i 96815
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Testimony of
Lloyd Unebasami
Interim President and Chief Executive Officer
Hawai'i Tourism Authority
on
H.B. 1734
Relating to Management of State Funds

House Committee on Finance
Wednesday, February 18, 2009
2:30 p.m.
Conference Room 308

The Hawai'i Tourism Authority (HTA) strongly opposes H.B. 1734, which increases the annual rate of central service expenses assessments and subjects the Convention Center Enterprise Special Fund and the Tourism Special Fund to the fee for central services expenses.

The HTA has already reduced its budget for fiscal year 2009 by approximately 20 per cent because of declining transient accommodations tax (TAT) revenues and lower TAT projections by the Council of Revenues.

Further reductions in both funds will seriously affect the HTA's ability to:

- Pay the debt service on the convention center, any expense arising from the operations of the center, and any unplanned repairs of the convention center that may arise; and

- Maintain or enhance programs to stimulate visitor travel to Hawai'i, retain or expand domestic or international airseats to Hawai'i or address any of the other non-marketing initiatives of the Hawai'i Tourism Strategic Plan: 2005-2015 (TSP) including Hawaiian Culture, Natural Resources, Product Development, Safety and Security or Workforce Development.

During this economic crisis, the revenues deposited into these two funds, which are vital to Hawai'i's visitor industry, should not be reduced.

Thank you for the opportunity to offer these comments.

LINDA LINGLE
GOVERNOR OF HAWAII

LAURA H. THIELEN
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

RUSSELL Y. TSUJI
FIRST DEPUTY

KEN C. KAWAHARA
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
POST OFFICE BOX 621
HONOLULU, HAWAII 96809

Testimony of
LAURA H. THIELEN
Chairperson

Before the House Committee on
FINANCE

Wednesday, February 18, 2009
2:30 PM
State Capitol, Conference Room 308

In consideration of
HOUSE BILL 1734
RELATING TO MANAGEMENT OF STATE FUNDS

House Bill 1734 would temporarily increase the assessments for central service expense fees (section 36-27, Hawaii Revised Statutes (HRS)) from 5% to 6% on various departmental special funds. The Department of Land and Natural Resources' (Department) comments are restricted to the Sport Fish Special Fund and the Boating Special Fund. While the Department is sensitive to the State's dismal economic situation and as such, amicable to temporary funding source options to help balance the budget, the Department nonetheless raises the following concerns it has with this measure.

The bill would impact the Sport Fish Special Fund established under section 187A-9.5, HRS. The Sport Fish Special Fund contains monies derived from the sale of freshwater game fish licenses sold by the Department. These monies are then used to support the Department's Sport Fish Program, including the management of public fishing areas such as those at Kokee, Kauai, Lake Wilson and Nuuanu Reservoirs on Oahu, and many other projects. An exemption from fees was obtained by way of Act 86, Session Laws of Hawaii 2002, because the fee assessment would jeopardize the receipt of over $2M in federal funds to the State (currently $3.4M for the most current federal fiscal year). Federal law (§80.4, 50 CFR Ch 1-F, Part 80) prohibits the diversion of any funds from license fees paid by fishermen for any other purpose than the administration of the State's fish and wildlife agency. This bill would run counter to federal law, and could jeopardize over $3.4M in federal funds that the State can ill afford to forego under current economic circumstances.

This bill would also impact the Boating Special Fund. The Boating Special Fund is the sole source of funding for the Department's Division of Boating and Ocean Recreation (DOBOR). An increase of the assessment on central service expense fees to 6% would amount to an increase of $125,000. The Boating Special Fund, like the State General Fund, is affected by the current economic downturn and the additional assessment will negatively impact the amount of services that DOBOR provides to its constituents. This bill would also impact the Department's Recreational Renaissance Plan by decreasing the amount of funding available for debt service payment.

Linda Lingle
GOVERNOR

KAREN SEDDON
EXECUTIVE DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
677 QUEEN STREET, SUITE 300
Honolulu, Hawaii 96813
FAX: (808) 587-0600

IN REPLY REFER TO

Statement of
Karen Seddon
Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON FINANCE
February 18, 2009, 2:30 p.m.
Room 308, State Capitol

In consideration of
H.B. 1740
RELATING TO FUNDS
and
H.B. 1734
RELATING TO MANAGEMENT OF STATE FUNDS.

The HHFDC has the following comments on H.B. 1740 and H.B. 1734 as it applies to repealing the exemption from the central service expense assessment fee for the Housing Loan Program Revenue Bond Special Fund and the Housing Project Bond Special Fund.

These Bond Special Funds were established to account for a system of housing projects to be financed from the proceeds of bonds secured under the same trust indenture. These funds serve as pass through funds in which the HHFDC issues tax-exempt revenue bonds for a private housing developer/owner. The trustees for these funds provide the necessary administrative services. Activity reports on these funds are submitted to the Department of Accounting and General Services. As such, we do not believe that the repeal of the exemption from the central service expense assessment for these funds is appropriate.

Thank you for the opportunity to testify.

TESTIMONY OF THE STATE ATTORNEY GENERAL
TWENTY-FIFTH LEGISLATURE, 2009

ON THE FOLLOWING MEASURE:
H.B. NO. 1734, RELATING TO MANAGEMENT OF STATE FUNDS.

BEFORE THE:
HOUSE COMMITTEE ON FINANCE

DATE: Wednesday, February 18, 2009 TIME: 2:30 PM

LOCATION: State Capitol, Room 308

TESTIFIER(S):
WRITTEN TESTIMONY ONLY. For more information, call Bridget Holthus, Special Assistant to the Attorney General, at 586-1284.

Chair Oshiro and Members of the Committee:

The Department of the Attorney General recognizes the current fiscal difficulties; however, we note that this bill will reduce the amount of funds available for programs administered by the Department of the Attorney General, and to that extent it will have a negative effect on those programs.

Date: 02/18/2009

Committee: House Finance

Department: Education

Person Testifying: Patricia Hamamoto, Superintendent of Education

Title of Bill: HB 1734 RELATING TO MANAGEMENT OF STATE FUNDS.

Purpose of Bill: Increases for 6 years from 7/1/09 to 6/30/15, annual rate of central service expenses assessments fees on special funds to 6%. Removes all exemptions from central service expenses assessments for all special funds beginning on 6/1/09.

Department's Position: The Department of Education opposes this measure.

By removing the exemption in HRS Section 36-27, and assessing a higher rate of 6% on the Department of Education's special funds receipts, to be used for central service and departmental administrative expenses, we estimate that about $11.9 million would be removed from Department of Education funds on an annual basis.

Here are the major areas impacted and the assessment proposed by this measure:

State Educational Facilities Improvement (SEFI)	$ 9.0 million
School Food Services	$ 1.3 million
A+ Program Interdepartmental Transfer -- DHS	$ 0.5 million
A+ Program Revolving Fund	$ 0.2 million
Driver Education	$ 0.3 million
School Bus Revolving Fund	$ 0.1 million
Discretionary Grant Search and Development	$ 0.2 million
Summer School	$ 0.1 million
Other smaller funds	$ 0.2 million
Total estimated impact of proposed annual assessment	$11.9 million

(Detailed calculations are attached.)

The effect of this measure would be to severely cripple the Department of

Education's financial ability to carry out its objectives. We have also attached specific examples of such impacts.

The difference between this measure and HB 1740 is that HB 1740 also removes the exemption on assessments of special fund expenses, in HRS Section 36-30. Accordingly, the impact of HB 1740 on the Department of Education is approximately $5 million more than the impact summarized above.

Thank you for the opportunity to provide testimony.

SPECIAL FUND ASSESSMENT
As of June 30, 2008
Source: DAFR4420

Fund	Appn		Revenue a/o 6/30/07	Revenue a/o 6/30/08	Net Revenue	6% Revenue
SPECIAL FUND SUBJECT TO ASSESSMENT						
S	301	LAHAINALUNA BOARDING SCHOOL SPECIAL FUND	23,191.00	25,635.10	2,444.10	146.65
S	302	ADULT ED SP FEES/ACT179 CONT IMPL ACT51		1,227,438.12	1,227,438.12	73,646.29
S	321	HAW TCHR STDS BRD/SCHL COMM COUNCILS	1,048,711.00	2,553,458.26	1,504,747.26	90,284.84
S	325	USE OF SCHL FAC	1,303,868.00	2,817,862.08	1,513,994.08	90,839.64
S	327	SCHOOL LEVEL MINOR REPAIR & MAINTENANCE	25,752.00	148,265.73	122,513.73	7,350.82
S	328	FELIX STIPEND PROGRAM SPECIAL FUND		34,308.30	34,308.30	2,058.50
		SUBTOTAL	2,401,522.00	6,806,967.59	4,405,445.59	264,326.74
SPECIAL FUND EXEMPT						
S	304	SCHOOL FOOD SERVICES	1,687,034.00	23,053,903.96	21,366,869.96	1,282,012.20
S	322	ADULT ED	803,858.00	466,769.53	(337,088.47)	(20,225.31)
S	323	SUMMER SCH	(30,694.00)	1,386,455.77	1,417,149.77	85,028.99
S	326	SCHL BUS REVOLVING FUND	1,292,301.00	3,534,322.17	2,242,021.17	134,521.27
S	330	REIMB FOR LOST TEXTBOOKS & EQUIPT/70/05	313,482.00	1,232,408.49	918,926.49	55,135.59
S	339	HAWAII SCHOOL-LEVEL MINOR REPAIRS & MAINTENANCE SPECIAL FUND		1,137,427.00	1,137,427.00	68,245.62
S	340	STATE EDUCATIONAL FACIL IMP SPECIAL FUND		151,400,000.00	151,400,000.00	9,084,000.00
S	345	FEDERAL REVENUE MAXIMIZATION REVOLVING		576,573.00	576,573.00	34,594.38
S	346	AFTER SCHOOL PLUS REVOLVING FUND	1,351,093.00	3,916,109.07	2,565,016.07	153,900.96
S	347	SEARCHING DISC GRTS & DEV PROGRAM APPLNS	121,314.00	3,745,952.35	3,624,638.35	217,478.30
S	348	EDUCATION RESEARCH & DEVELOPMENT		206,115.38	206,115.38	12,366.92
S	350	DRIVE ED-UNDERWRITER'S FEE NO FAULT	136,514.00	4,673,575.68	4,537,061.68	272,223.70
S	352	FELIX RESPONSE TEAM TITLE VI-E	6.00	4,155.96	4,149.96	249.00
S	353	ARTS IN PUBLIC PLACES	94,305.00	440,041.14	345,736.14	20,744.17
S	355	A+ INTERDEPARTMENTAL TRANSFER-DHS	428,033.00	8,043,983.27	7,615,950.27	456,957.02
		SUBTOTAL	6,197,246.00	203,817,792.77	197,620,546.77	11,857,232.81
		Total	8,598,768.00	210,624,760.36	202,025,992.36	12,121,559.55

Department of Education

Impact of HB 1734

State Educational Facilities Improvement (SEFI) $ 9.0 million

For existing capital improvement program (CIP) appropriations not yet allotted, we would need to reduce the scope of the projects accordingly, with the actual impact varying from project to project. One example is if six percent were assessed on a facilities appropriation of $7 million, that would be equate to about 2 less classrooms from that appropriation. For a repairs and maintenance (R&M) appropriation of $100 million, the $6 million assessment would mean approximately 52 fewer R&M projects. Where scope cannot be reduced sufficiently, there is the potential we would not be able to implement numerous projects at all. For future appropriations, our budget estimates would need to be escalated to account for the assessment.

School Food Services $ 1.3 million

The provisions of the U.S. Department of Agriculture National School Lunch Program require School Food Authorities to meet minimum nutrition standards. Assessing HIDOE School Food Service Branch special funds by $1.3 million would decrease revenue used to cover food costs, and compromise the Department's ability to meet federal nutrition standards.

A+ Program Interdepartmental Transfer -- DHS $ 0.5 million

A+ Program Revolving Fund $ 0.2 million

The Department of Human Services funds are used to subsidize students in the A+ After School program who come from families in poverty. The Memorandum of Agreement (MOA) with the Department of Human Services stipulates that the funds are strictly for reimbursement to eligible families for the cost of "latch-key" after-school child care.

The A+ Revolving Fund represents parent payments for the A+ Program. Assessing this fund will result in the Department having to obtain Board of Education approval to raise the fee charges for the A+ Program.

Driver Education $ 0.3 million

Assessing the Driver Education program would result in significant impairments to the Department's ability to provide driver education classes for high school students.

School Bus Revolving Fund $ 0.1 million

The Student Transportation Revolving Fund provides financial support for operating DOE school buses in the West Hawaii district. The expenses includes, but are not limited to: School Bus Leases (14 buses), Student Transportation Services Branch West Hawaii Personnel, fuel for buses, insurance, repairs and maintenance, etc. Assessments to this fund would impair the Department's ability to provide bus transportation services to students in the West Hawaii area.

Discretionary Grant Search and Development $ 0.2 million

Current proposed legislation (HB 181 and SB 164) are intended to expand the use of this special fund for critically needed federal grant monitoring, compliance and audit functions. Assessment of this fund would severely hamper the Department's planned implementation of these functions.

Summer School $ 0.1 million

Summer school programs must be fully self-supporting; tuition payments must cover all costs for teachers, directors, clerical staff, custodial staff and supplies, security, and instructional materials. Balances in the Summer School fund are used to subsidize summer school programs during the following year. Already, many schools cannot offer summer school without going into deficit, because the income generated from tuition is insufficient to cover program expenditures. Currently, many schools have had difficulty balancing their budgets, and assessing the fund will put them deeper into deficit.

Assessing the summer school fund will deny many students the opportunity to participate in summer school. The projected assessment of $142,855 would prevent schools from hiring at least 40 summer school teachers. With an average class size of 28, this would mean that approximately 1,120 students could not participate in summer school. Ultimately, some of these students will be unsupervised during the summer. This will not only negatively impact their academic achievement, but may also lead to more serious problems, including crime, school failure, pregnancy, etc.

Other smaller funds $ 0.2 million

The Hawaii school-level minor repairs and maintenance fund, established in statute for the income tax donation by taxpayers, would be assessed $68,000 by this measure. Schools would not have access to these funds to make minor repairs, such as fixing locks, repairing restroom facilities, etc.

The special fund for reimbursements for lost textbooks and equipment would be assessed $55,000 under this measure. Schools would not be able to replace lost textbooks or equipment to the degree of this assessment.

The Federal revenue maximization revolving fund, established for the Medicaid reimbursement for student therapy services, would be assessed $35,000 by this measure. Reimbursement for such therapy services should not be subject to such an assessment.

UNIVERSITY OF HAWAI'I SYSTEM
Legislative Testimony

Testimony Presented Before the
House Committee on Finance
February 18, 2009 at 2:30pm
by
Howard Todo
Vice President for Budget & Finance/CFO, University of Hawai'i

HB 1734 – RELATING TO MANAGEMENT OF STATE FUNDS

Chair Oshiro, Vice Chair Lee and Members of the Committee:

HB 1734 repeals the University of Hawaii's exemption from the central services expenses assessment on special funds and increases the assessment to 6%.

For fiscal year 2008, receipts for University of Hawaii special funds totaled approximately $318 million. The proposed 6% assessment on these receipts would have resulted in a $19 million reduction in funds available to the University. The bulk of the special funds revenue can be attributed to the Tuition and Fees Special Fund and the University Revenue Undertakings Special Fund. The revenue for these funds directly impact the services provided to our students, including educational programs, student and faculty housing, the campus center and bookstore operations, and other critical functions. A reduction in funds available to support these operations would have an adverse impact on the quality of services available to our students and faculty.

In addition, the University provides much of its own administrative services internally, via its own Human Resources, Financial Management, Internal Audit and other offices. Assessing the University the same assessment rate as other state agencies that rely more heavily on state central services would place an undue burden on the University.

Accordingly, the University wishes to express its concerns regarding HB 1734.

Thank you for the opportunity to provide testimony on this measure.

American Heart Association® | American Stroke Association®
Learn and Live®
Serving Hawaii

Testimony on HB 1734, "Relating To Management of State Funds"

The American Heart Association opposes cuts to state tobacco prevention, education and cessation services.

The American Heart Association maintains a national policy not to accept government funding, instead relying on the support of private donors to support its lifesaving mission. Under that policy, the AHA has never received funds from Hawaii's Tobacco Trust Fund. Its role in regards to state funding is that of a watchdog, insuring that the state properly invests the funds that are intended to limit taxpayers' subsidization of the tobacco industry.

When the state settled its law suit against the tobacco industry in 1998, the funds the industry agreed to pay the state were intended to help offset the years of economic and health damage that the industry's products inflicted on the Hawaii public. Hawaii taxpayers subsidize healthcare costs and lost productivity originating from the use of tobacco products by over an estimated half-billion dollars each year. Admirably, Hawaii lawmakers at the time wisely saw to invest 25 percent of those dollars received from the industry into tobacco prevention, education and cessation programs to begin to curtail those losses inflicted on the public. Unfortunately, following the attacks on New York's World Trade Center and the Pentagon, legislators felt the need to cut that investment in half to fund the construction of the UH medical school. Since then, the amounts being invested annually in tobacco control have continued to be whittled away through administration fees, enforcement allocations to the attorney general's office, and additional operational funding allocations to the medical school. To date, Hawaii has never met the Centers for Disease Control's recommended minimum levels of annual investment in tobacco-control funding (estimated at $10 to $15 per capita annually). Successes in reducing tobacco use among both adults and children have occurred through the strong efforts of community organizations, however, one must wonder how much further along the state might have been had it maintained its original funding commitments to tobacco control.

A key point to contemplate is that tobacco-control program funding received through the States Tobacco Industry Master Settlement Agreement **cost taxpayers nothing. It is covered by the tobacco companies. However, cuts to that funding to redirect it to other programs or services will costs taxpayers dearly.**

Experiences in other states that have curtailed funding to successful tobacco prevention programs have shown that hard fought gains in smoking rate reductions can quickly be reversed if commitment to those programs is not maintained. The tobacco industry continues to market and advertise its products to potential new young nicotine addicts, investing over an estimated $40 million each year in Hawaii alone. Further cuts in tobacco-control funding will allow the tobacco industry to run roughshod through our communities with limited response from the state.

Serving Hawaii since 1948

For information on the AHA's educational or research programs, contact your nearest AHA office, or visit our web site at www.americanheart.org or e-mail us at hawaii@heart.org

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Fax: 808-961-2827

ai:
,viced by Oahu office)
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Fax: 808-538-3443

"Building healthier lives, free of cardiovascular diseases and stroke."

Hawaii prides itself in having one of the most progressive healthcare systems in the nation. With employers covering the vast majority of employee healthcare costs through state law, that system will be hard pressed to stay viable should smoking rates be allowed to again climb to levels that once existed. More importantly, the social toll on Hawaii families that increases in tobacco use rates would have will be far more damaging.

Think of the amazing changes we have witnessed over the last 10 years in our social environment thanks to wise investment and use of tobacco settlement funds. Adult smoking has dropped from rates in the mid-20s to a rate of almost 15 percent; youth smoking rates have dropped by over half to below 10 percent; and smoking in most workplaces is virtually non-existent. This generation is perhaps the most cognizant of the dangers of tobacco use of any in our state's history.

Now is not the time to reverse course on one of the most successful health success stories in our islands' long history. Now is the time to stay committed, celebrate that success and see this journey of enlightenment through to its full fruition.

The American Heart Association strongly urges legislators to stay the course on tobacco control and maintain current levels of investment in the public's health.

Respectfully submitted,

Donald B. Weisman

Donald B. Weisman
Hawaii Communications and Marketing/Government Affairs Director

February 17, 2009

Committee on Finance
Representative Marcus Oshiro, Chair
Representative Marilyn Lee, Vice Chair

Hearing:
2:30 P.M., Wednesday, February 18, 2009
Hawaii State Capitol, Room 308

RE: HB1734, Relating to Management of State Funds

TESTIMONY IN OPPOSITION OF CERTAIN PROVISIONS

Chair Oshiro, Vice Chair Lee, and members of the Committee on Finance. My name is George Massengale and I am the Director of Government Relations with the American Cancer Society Hawaii Pacific Inc. Thank you for the opportunity to testify in opposition to certain provisions of HB1734, which increases for 6 years from 7/1/2009 to 6/30/2015, the annual rate of central service expenses assessments fees for all special funds beginning on 6/01/2009.

The American Cancer Society Hawaii Pacific Inc., was founded in 1948, and is a community-based, voluntary health organization dedicated to eliminating cancer as a major health problem by preventing cancer, saving lives, and diminishing suffering from cancer, through research, education, advocacy, and service. This mission is consistent with the Society's ambitious 2015 goals of slashing the cancer mortality rate by 50%, reducing the incidence of cancer by 25%, and improving the quality of life of cancer patients and survivors by reducing the pain and suffering that cancer causes.

Three years ago the American Cancer Society strongly supported legislation that raised the cigarette tax in Hawaii and allocated a portion of the new revenues into the **Hawaii Cancer Research Special Fund, the Communities Health Centers Special Fund, the Trauma System Special Fund and Emergency Medical Services Special Fund.** We certainly acknowledge that the State is undergoing a significant and possibly long term economic downturn. Numerous jobs have been lost, and many more will be lost. **Many people will loose their health insurance coverage. The roles of the underinsured and uninsured will climb. We need to ensure that all of our citizens have access to health care and other programs that promote the public health.**

The Society opposes the deduction from five to six per cent of all receipts from the following funds which would subsequently be transferred into the general fund:

- Trauma system special fund;
- Hawaii cancer research special fund;
- Community health centers special fund;

American Cancer Society Hawai'i Pacific, Inc., 2370 Nu'uanu Avenue, Honolulu, Hawaii 96817-1714
•Phone: (808) 595-7500 •Fax: (808) 595-7502 •24-Hour Cancer Info: (800) 227-2345 •http://www.cancer.org

- Emergency medical services special fund;
- Center for nursing special fund.

As our State's economic crisis deepens we need to ensure that we retain a viable public health safety net for all our people.

Mahalo for giving me the opportunity to provide testimony regarding our concerns to the committee. We would ask that the special funds we have noted be excluded from the 1% deduction increase and subsequent transfer to the State's general fund.

Very truly yours,

George S. Massengale, JD
Director of Government Relations