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# A BILL FOR AN ACT

RELATING TO THE HAWAII HURRICANE RESERVE TRUST FUND.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The purpose of this Act is to authorize the  
2 loan of moneys from the Hawaii hurricane reserve trust fund to  
3 the general fund.

4           This Act takes effect upon its approval and sunsets on June  
5 30, 2015.

6           SECTION 2. Section 431P-16, Hawaii Revised Statutes, is  
7 amended as follows:

8           1. By amending subsection (g) to read:

9           "(g) Any proceeds from loans or other moneys from the  
10 federal government, any proceeds from bonds issued pursuant to  
11 this chapter loaned by the director to the Hawaii hurricane  
12 relief fund, any repayment of principal and interest on loans to  
13 the general fund, and other moneys as the State may make  
14 available from time to time shall be deposited into the  
15 hurricane reserve trust fund."

16           2. By amending subsection (i) to read:

17           "(i) Moneys in the hurricane reserve trust fund may be:



1 (1) Disbursed upon dissolution of the Hawaii hurricane  
2 relief fund; provided that:

3 (A) The net moneys in the hurricane reserve trust  
4 fund shall revert to the state general fund after  
5 payments by the fund on behalf of licensed  
6 property and casualty insurers or the State that  
7 are required to be made pursuant to any federal  
8 disaster insurance program enacted to provide  
9 insurance or reinsurance for hurricane risks are  
10 completed; and

11 (B) If such moneys are paid on behalf of licensed  
12 property and casualty insurers, payment shall be  
13 made in proportion to the premiums from policies  
14 of hurricane property insurance serviced by the  
15 insurers in the twelve months prior to  
16 dissolution of the fund; or

17 (2) [~~Deposited to the loss mitigation grant fund~~  
18 ~~established under section 431:22-102,~~] Loaned to the  
19 general fund pursuant to legislative act and expended  
20 in place of previously appropriated general funds;

21 provided that all interest earned from the principal in the  
22 hurricane reserve trust fund shall be transferred and deposited



1 into the general fund each year that the hurricane reserve trust  
2 fund remains in existence.

3 Any legislative act that provides for the loan of moneys  
4 from the Hawaii hurricane reserve trust fund to the general fund  
5 shall also provide for the repayment of the entire principal of  
6 and, if any, interest on the loan by June 30 of the second  
7 fiscal year following the fiscal year in which the act takes  
8 effect or June 30, 2015, whichever is earlier. As the means of  
9 repayment, the legislative act shall dedicate general revenues  
10 from an existing or new tax or fee. If the principal and  
11 interest are not fully repaid by the applicable deadline, the  
12 director of finance shall transfer the delinquent amount from  
13 the general fund to the Hawaii hurricane reserve trust fund. No  
14 penalty shall be charged on any delinquent principal or  
15 interest. The director shall make the transfer without  
16 necessity of appropriation or any other legislation."

17 SECTION 3. Section 431P-16.5, Hawaii Revised Statutes, is  
18 amended to read as follows:

19 "[+]§431P-16.5[+] Transfer or loan of funds; immunity.  
20 There shall be no cause of action, claim for damages or relief,  
21 charge, or any other liability of any kind whatsoever created  
22 against the State, the Hawaii hurricane relief fund, the



1 commissioner, or their respective agents, employees, or board,  
2 by, or relating to [~~the~~]:

3 (1) The transfer of any moneys from the hurricane reserve  
4 trust fund to the loss mitigation grant fund or from  
5 the loss mitigation grant fund to the hurricane  
6 reserve trust fund or involving the loss mitigation  
7 grant program[-]; or

8 (2) The loan of any moneys from the hurricane reserve  
9 trust fund to the general fund."

10 SECTION 4. Statutory material to be repealed is bracketed  
11 and stricken. New statutory material is underscored.

12 SECTION 5. This Act shall take effect upon its approval  
13 and shall be repealed on June 30, 2015; provided that:

14 (1) Sections 431P-16 and 431P-16.5, Hawaii Revised  
15 Statutes, shall be reenacted in the form in which they  
16 read on the day prior to the effective day of this  
17 Act; and

18 (2) The repeal of this Act shall not affect the obligation  
19 of the State to repay any loan made from the Hawaii  
20 hurricane relief fund pursuant to this Act.

21



**Report Title:**

Hawaii Hurricane Reserve Trust Fund; Loan To General Fund

**Description:**

Authorizes the loan of moneys from the Hawaii hurricane reserve trust fund to the general fund. Takes effect upon approval and sunsets on 06/30/15. (HB2875 HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

