
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
5 July 1, 2017.

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 half of the principal of
6 and, if any, interest due and owing on the loan by June 30,
7 2015, and the repayment of the remaining half of the principal
8 of and, if any, interest due and owing on the loan by June 30,
9 2017. As the means of repayment, the legislative act shall
10 dedicate general revenues from an existing or new tax or fee.
11 If the principal and interest are not fully repaid by the
12 applicable deadlines, the director of finance shall transfer the
13 delinquent amount from the general fund to the Hawaii hurricane
14 reserve trust fund. No penalty shall be charged on any
15 delinquent principal or interest. The director shall make the
16 transfer or transfers without necessity of appropriation or any
17 other legislation. Notwithstanding the foregoing, all or a
18 portion of the principal of and, if any, interest due and owing
19 on the loan may be repaid at any time prior to the applicable
20 deadlines without penalty."

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



1 "~~[+]~~§431P-16.5~~[+]~~ **Transfer or loan of funds; immunity.**

2 There shall be no cause of action, claim for damages or relief,
3 charge, or any other liability of any kind whatsoever created
4 against the State, the Hawaii hurricane relief fund, the
5 commissioner, or their respective agents, employees, or board,
6 by, or relating to~~[, the]~~:

7 (1) The transfer of any moneys from the hurricane reserve
8 trust fund to the loss mitigation grant fund or from
9 the loss mitigation grant fund to the hurricane
10 reserve trust fund or involving the loss mitigation
11 grant program~~[-]~~; or

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

14 SECTION 4. Statutory material to be repealed is bracketed
15 and stricken. New statutory material is underscored.

16 SECTION 5. This Act shall take effect upon its approval
17 and shall be repealed on July 1, 2017; provided that:

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



1 (2) The repeal of this Act shall not affect the obligation
2 of the State to repay any loan or portion thereof made
3 from the Hawaii hurricane relief fund pursuant to this
4 Act.
5



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. Authorizes the loan to be paid over two bienniums. Takes effect upon approval and sunsets on 07/1/17. (SD1)

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