

STAND. COM. REP. NO.

2814

Honolulu, Hawaii

MAR 19 2010

RE: H.B. No. 2875  
H.D. 1  
S.D. 1

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fifth State Legislature  
Regular Session of 2010  
State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred H.B. No. 2875, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII HURRICANE RESERVE TRUST FUND,"

begs leave to report as follows:

The purpose of this measure is to authorize the loan of moneys from the Hawaii Hurricane Reserve Trust Fund (Fund) to the general fund pursuant to legislative acts to be expended in place of previously appropriated general funds.

Your Committee received testimony from the Chamber of Commerce of Hawaii and 'Ohana Health Plan. Testimony in opposition to this measure was received from the Department of Commerce and Consumer Affairs and the Department of Budget and Finance. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that the State's fiscal crisis has resulted in enormous cuts in funding to essential services. Further constrictions to departmental budgets may necessitate the deferment of payments owed by the State to various providers or other cuts to essential services, disproportionately affecting the low-income, aged, blind, and disabled residents of our State. These economic times require the Legislature to review different options to make up the budget deficit, including temporarily



authorizing loans from the Fund to make up deficiencies in moneys available within the general fund.

Your Committee has amended this measure by allowing the loan to be repaid over two bienniums, with half to be paid in 2015 and the remaining half to be paid in 2017, in order to assure that Hawaii's economy has rebounded sufficiently to make the moneys for repayment of any loans readily available.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2875, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2875, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Commerce and  
Consumer Protection,



ROSALYN H. BAKER, Chair



