

Honolulu, Hawaii

April 1, 2010

RE: S.B. No. 2695
S.D. 1
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2695, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO NON-GENERAL FUNDS,"

begs leave to report as follows:

The purpose of this bill is to address the extraordinary budgetary challenges of the 2009-2010 fiscal year by transferring to the general fund a certain amount of excess balances from various non-general funds.

For purposes of the public hearing, your Committee circulated a proposed H.D. 1 version that:

- (1) Transfers specific amounts of excess balances from the non-general funds included in S.B. No. 2695 except for the Wireless Enhanced 911 Fund; and
- (2) Transfers specific amounts of excess balances from 21 other non-general funds.

The University of Hawaii, Department of Agriculture, Hawaii Business Roundtable, American Cancer Society, General Contractors Association of Hawaii, University of Hawaii Foundation, Kobayashi Development Group LLC, and numerous concerned individuals testified in opposition to the proposed H.D. 1. The Department of Budget and Finance; Department of Health; Department of Accounting

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and General Services; Hawaii Tourism Authority; High Technology Development Corporation; Aloha Tower Development Corporation; The Research Corporation of the University of Hawaii; Tax Foundation of Hawaii; Kamehameha Schools; Healthcare Association of Hawaii; Hawaii Primary Care Association; The Pacific Resource Partnership; Hawaii Pacific Health; The Queen's Health Systems; Bank of Hawaii; American Council of Engineering Companies of Hawaii; KAI Hawaii, Inc.; Oceanit; Red Monarch Communications LLC; Insynergy Engineering, Inc.; Associated Students of University of Hawaii-Kauai Community College; and numerous concerned individuals offered comments.

Your Committee has amended this bill by replacing its substance with the provisions of the proposed H.D. 1 and by:

- (1) Deleting provisions that transfer specified sums to the general fund from: the Agricultural Park Special Fund, Aloha Tower Special Fund, Clean Air Special Fund, Community Health Centers Special Fund, Drinking Water Treatment Revolving Loan Fund, Emergency Medical Services Special Fund, Environmental Management Special Fund, Hawaii Cancer Research Special Fund, High Technology Special Fund, Neurotrauma Special Fund, Research and Training Revolving Fund, Systemwide Information Technology Services Special Fund, Trauma System Special Fund, Tuition and Fee Special Fund, University Revenue-Undertakings Fund, Vital Statistics Improvement Special Fund, Water Pollution Control Revolving Fund, and Works of Art Special Fund;
- (2) Reducing the sum to be transferred to the general fund from the Agricultural Loan Revolving Fund from \$1,000,000 to \$500,000;
- (3) Reducing the sum to be transferred from the Convention Center Enterprise Special Fund to the general fund from \$2,000,000 to \$1,000,000; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

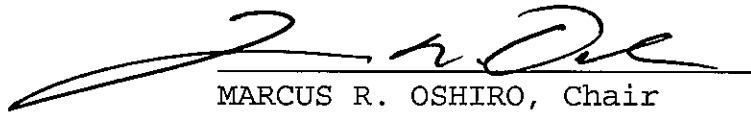
As amended, this bill transfers a total of \$7,000,000 in excess balances to the general fund.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your



Committee is in accord with the intent and purpose of S.B. No. 2695, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2695, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Finance,


MARCUS R. OSHIRO, Chair



