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# A BILL FOR AN ACT

RELATING TO STATE MONEYS.

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

1           SECTION 1. The legislature finds that the national  
2 recession has caused a multitude of financial problems for the  
3 State, including difficulty selling general obligation bonds.  
4 These bonds are of critical importance to the State not only to  
5 fund major state capital improvement projects, but also to  
6 rejuvenate the economy and create and sustain needed local  
7 employment.

8           The legislature further finds that despite the dire  
9 economic forecasts of late, the State had over \$1,800,000 in  
10 cash at the end of the 2009 fiscal year.

11           The purpose of this Act is to provide funding for necessary  
12 state capital improvement projects by providing alternatives to  
13 the conventional method of selling state general obligation  
14 bonds.

15           SECTION 2. Chapter 36, Hawaii Revised Statutes, is amended  
16 by adding a new section to be appropriately designated and to  
17 read as follows:



1           "§36-       Non-general fund moneys; investments. In  
2 addition to any other provision with respect to investments by  
3 the State, the director of finance may invest non-general fund  
4 moneys, which in the director's judgment are in excess of the  
5 amounts necessary for meeting the immediate requirements of the  
6 State and wherein the director's judgment the action will not  
7 impede or hamper the necessary financial operations of the  
8 State, in any state issued general obligation bond or interest-  
9 bearing note or other obligation; provided that:

10           (1) The non-general fund moneys invested shall be returned  
11           to their respective sources within a reasonable time  
12           period; and

13           (2) A report shall be submitted to the legislature not  
14           later than thirty days after each investment is made  
15           that discloses all sources of non-general fund moneys  
16           and the amounts therefrom that were used as  
17           investments under this section."

18           SECTION 3. New statutory material is underscored.

19           SECTION 4. This Act shall take effect on July 1, 2030.



**Report Title:**

State Bonds; Investments

**Description:**

Enhances the State's authority to invest in state bonds by authorizing the use of non-general fund moneys for that purpose. Effective July 1, 2030. (HB562 HD1)

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

