

JAN 25 2012

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# A BILL FOR AN ACT

RELATING TO THE EMERGENCY AND BUDGET RESERVE FUND.

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

1           SECTION 1. The legislature finds that the national and  
2 global economic crisis that began in the second half of 2008  
3 caused significant economic problems in numerous industries in  
4 the State, including the airline, cruise ship, tourist, and  
5 construction industries. An increasing number of Hawaii  
6 businesses statewide, from the agricultural sector to the  
7 medical-services sector, have been forced to lay off large  
8 numbers of employees. Financial uncertainty has historically  
9 led to fewer visitor arrivals and lower hotel occupancy rates,  
10 resulting in layoffs and reductions in employee hours.

11           Over the past few years, difficult economic times and  
12 declining tax revenues have resulted in budget cuts for all  
13 state services. State departments have been asked to lower  
14 their budget proposals by up to twenty per cent. These cuts  
15 jeopardize the safety net of basic human services, health, and  
16 education needs for Hawaii's residents and families. While all  
17 of Hawaii's residents will be affected by the situation, gap



1 group families and families closest to the poverty line will  
2 suffer the most.

3 Pursuant to Act 304, Session Laws of Hawaii 1999, the  
4 legislature established the emergency and budget reserve fund as  
5 a temporary supplemental source of funding for the State in  
6 times of emergency, economic downturn, or unforeseen reduction  
7 in revenues. As set forth in section 328L-3, Hawaii Revised  
8 Statutes, specific purposes for the fund include maintaining  
9 levels of programs determined to be essential to public health,  
10 safety, welfare, and education. Act 304 also included certain  
11 prohibitions on appropriations from the emergency and budget  
12 reserve fund. Appropriations for the following purposes are  
13 specifically prohibited:

- 14 (1) To meet expenses of the legislature;
- 15 (2) To provide for salary adjustments for officials  
16 appointed pursuant to article V, section 6 or article  
17 VI, section 3 of the state Constitution and for others  
18 whose salaries are directly related to salaries of  
19 these officials; and
- 20 (3) To fund cost items in any collective bargaining  
21 contract.



1           The legislature finds that expenditures from the emergency  
2 and budget reserve fund are needed to meet the conditions of  
3 emergency, economic downturn, and unforeseen reduction in  
4 revenues that the State currently faces. Further, the  
5 legislature finds that the appropriation in this Act is  
6 consistent with the purposes of the emergency and budget reserve  
7 fund.

8           Therefore, given the ongoing economic crisis, the purpose  
9 of this Act is to appropriate moneys from the emergency and  
10 budget reserve fund of the State to maintain the levels of  
11 social service programs relating to child abuse and neglect that  
12 are essential to the public welfare.

13           SECTION 2. There is appropriated out of the emergency and  
14 budget reserve fund of the State of Hawaii the sum of \$200,000  
15 or so much thereof as may be necessary for fiscal year 2012-  
16 2013, for services offered by or contracted through the  
17 department of human services relating to child abuse and  
18 neglect.

19           The sum appropriated shall be expended by the department of  
20 human services for the purposes of this Act.



S.B. NO. **2660**

1 SECTION 3. This Act shall take effect on July 1, 2012.

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INTRODUCED BY: *Suzanne Chun Oakland*



# S.B. NO. 2660

**Report Title:**

Emergency and Budget Reserve Fund; Appropriation

**Description:**

Appropriates moneys from the emergency and budget reserve fund to DHS for child abuse and neglect social services. Effective 07/01/2012.

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

