

Honolulu, Hawaii

April 5, 2012

RE: S.B. No. 2784
S.D. 2
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2784, S.D. 2, entitled:

"A BILL FOR AN ACT MAKING APPROPRIATIONS TO RECAPITALIZE STATE FISCAL RESERVES,"

begs leave to report as follows:

The purpose of this measure is to appropriate monies from the general fund to the Emergency and Budget Reserve Fund and the Hawaii Hurricane Relief Fund in order to accelerate recapitalization of these reserves.

The Office of the Governor testified in support of this measure. The Department of Budget and Finance provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting language appropriating \$20,000,000 and \$43,700,000, respectively, from the general fund for unspecified fiscal years to recapitalize the Emergency and Budget Reserve Fund;
- (2) Inserting language appropriating unspecified amounts out of the state general revenues for fiscal years 2011-2012 and 2012-2013 to recapitalize the Hawaii Hurricane Relief Fund in place of language appropriating

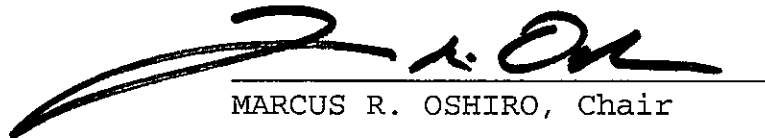


\$27,500,000 for each of two unspecified fiscal years and \$56,000,000 for a third unspecified fiscal year to recapitalize the Hawaii Hurricane Relief Fund;

- (3) Repealing section 237-31(3), Hawaii Revised Statutes, which requires that all general excise tax revenues realized by the State equal to one-half of the total amount appropriated or transferred out of the Hurricane Reserve Trust Fund under sections 4 and 5 of Act 62, Session Laws of Hawaii 2011, be deposited in the Hurricane Reserve Trust Fund in the fiscal years 2013-2014 and 2014-2015;
- (4) Changing the effective date to July 1, 2030, to promote further discussion; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

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. 2784, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2784, S.D. 2, 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



