H.B. NO. <sup>661</sup> H.D. 1

## 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. Hawaii businesses statewide, from the 6 agricultural sector to the medical-services sector, have felt 7 the financial ramifications of this recession, resulting in cuts 8 to employee hours and benefits, as well as layoffs.

9 Over the past few years, difficult economic times and 10 declining tax revenues have also resulted in budget cuts for all 11 state services. These cuts have jeopardized the safety net of 12 basic human services, health services, and education for 13 Hawaii's residents and families. While all of Hawaii's residents will be affected by the situation, gap group families 14 15 and families closest to the poverty line will suffer the most. 16 Pursuant to Act 304, Session Laws of Hawaii 1999, the

17 legislature established the emergency and budget reserve fund as18 a temporary supplemental source of funding for the State in



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times of emergency, economic downturn, or unforeseen reduction 1 2 in revenues. As set forth in section 328L-3, Hawaii Revised 3 Statutes, specific purposes for the fund include maintaining 4 levels of programs determined to be essential to public health, 5 safety, welfare, and education. Act 304 also included certain 6 prohibitions on appropriations from the emergency and budget 7 reserve fund. Appropriations for the following purposes are 8 specifically prohibited:

9 (1) To meet expenses of the legislature;

10 (2) To provide for salary adjustments for officials
11 appointed pursuant to article V, section 6, or article
12 VI, section 3, of the Hawaii state constitution and
13 for others whose salaries are directly related to
14 salaries of these officials; and

15 (3) To fund cost items in any collective bargaining16 contract.

17 The legislature finds that expenditures from the emergency 18 and budget reserve fund are needed to meet the conditions of 19 emergency, economic downturn, and unforeseen reduction in 20 revenues that the State currently faces. Further, the 21 legislature finds that the appropriation in this Act is

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consistent with the purposes of the emergency and budget reserve
 fund.

3 Therefore, given the ongoing economic crisis, the purpose
4 of this Act is to appropriate moneys from the emergency and
5 budget reserve fund of the State to maintain the levels of
6 social service programs relating to child abuse and neglect that
7 are essential to the public welfare.

8 SECTION 2. There is appropriated out of the emergency and 9 budget reserve fund of the State of Hawaii the sum of \$200,000 10 or so much thereof as may be necessary for fiscal year 2013-2014 11 and the same sum or so much thereof as may be necessary for 12 fiscal year 2014-2015 for services offered by or contracted 13 through the department of human services relating to child abuse 14 and neglect.

15 The sums appropriated shall be expended by the department16 of human services for the purposes of this Act.

17 SECTION 3. This Act shall take effect on July 1, 2050.



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### 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 July 1, 2050. (HB661 HD1)

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

