
A BILL FOR AN ACT

MAKING AN APPROPRIATION TO RECAPITALIZE THE HURRICANE RESERVE
TRUST FUND.

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

1 SECTION 1. The State is emerging from one of the most
2 challenging economic periods in its history. During the last
3 several years, extreme measures had to be taken to keep the
4 State solvent, including: furloughs; temporary salary
5 reductions; reductions-in-force; forced downsizing of programs
6 and services; purchasing and hiring freezes; and enactment of
7 temporary revenue enhancements. Additionally, most of the
8 State's fiscal reserves, the emergency and budget reserve fund
9 and the hurricane reserve trust fund, were committed to
10 forestalling even greater spending reductions and revenue
11 enhancement measures.

12 One of the clear lessons learned from this experience is
13 the necessity of having sufficient fiscal reserves to help
14 sustain the State through the worst conditions. Now that the
15 economy is rebounding and more revenues are available, a
16 concerted effort must be made to recapitalize the State's
17 depleted fiscal reserves as expeditiously as possible.



1 Act 62, Session Laws of Hawaii 2011, which authorized use
2 of the hurricane reserve trust fund to support the general fund,
3 requires that one-half of the total amount of funds transferred
4 to the general fund (\$111,000,000) in fiscal year 2010-2011
5 shall be repaid from general excise tax revenues to the Hawaii
6 hurricane relief fund in fiscal years 2013-2014 and 2014-2015.
7 As such, \$55,500,000 will be deposited into the hurricane
8 reserve trust fund each year for fiscal years 2013-2014 and
9 2014-2015.

10 This Act proposes to further accelerate recapitalization of
11 fiscal reserves, as is fiscally prudent, by transferring an
12 additional \$ to the hurricane reserve trust fund in
13 fiscal year 2014-2015. This will bring the projected fiscal
14 year 2014-2015 balance of the hurricane reserve trust fund up to
15 \$.

16 The purpose of this Act is to appropriate general funds to
17 the hurricane reserve trust fund. As the State continues its
18 economic recovery, accelerated recapitalization of this fiscal
19 reserve trust fund is prudent and fiscally sound.

20 SECTION 2. There is appropriated out of the general
21 revenues of the State of Hawaii the sum of \$ or so
22 much thereof as may be necessary for fiscal year 2014-2015 for



1 the purpose of recapitalizing the hurricane reserve trust fund
2 established in section 431P-16, Hawaii Revised Statutes.

3 The sum appropriated shall be expended by the department of
4 commerce and consumer affairs for the purposes of this Act.

5 SECTION 3. This Act shall take effect on July 1, 2030.



Report Title:

Hurricane Reserve Trust Fund; Recapitalization; Appropriation

Description:

Makes a general fund appropriation of an unspecified amount for fiscal year 2014-2015 to recapitalize the hurricane reserve trust fund. Effective 07/01/2030. (HD1)

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