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# A BILL FOR AN ACT

RELATING TO THE HURRICANE RESERVE TRUST FUND.

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

1           SECTION 1. The legislature finds that general revenues are  
2 increasing and that the diversion of the interest from the  
3 hurricane reserve trust fund is no longer necessary to maintain  
4 the health of the general fund. Moreover, the legislature finds  
5 that this Act will allow the corpus of the trust fund to grow  
6 without imposition of a fee or tax.

7           The purpose of this Act is to require the interest and  
8 other moneys earned on the principal of the hurricane reserve  
9 trust fund to be deposited into the trust fund instead of being  
10 diverted to the general fund.

11           SECTION 2. Section 431P-16, Hawaii Revised Statutes, is  
12 amended as follows:

13           1. By amending subsection (g) to read:

14           "(g) Any proceeds from loans or other moneys from the  
15 federal government, any proceeds from bonds issued pursuant to  
16 this chapter loaned by the director to the Hawaii hurricane  
17 relief fund, and other moneys as the State may make available



1 from time to time shall be deposited into the hurricane reserve  
2 trust fund.

3 Interest and other moneys earned on the principal of the  
4 hurricane reserve trust fund also shall be deposited into the  
5 trust fund."

6 2. By amending subsection (i) to read:

7 "(i) Moneys in the hurricane reserve trust fund may be  
8 disbursed upon dissolution of the Hawaii hurricane relief fund;  
9 provided that:

10 (1) The net moneys in the hurricane reserve trust fund  
11 shall revert to the state general fund after payments  
12 by the fund on behalf of licensed property and  
13 casualty insurers or the State that are required to be  
14 made pursuant to any federal disaster insurance  
15 program enacted to provide insurance or reinsurance  
16 for hurricane risks are completed; and

17 (2) If such moneys are paid on behalf of licensed property  
18 and casualty insurers, payment shall be made in  
19 proportion to the premiums from policies of hurricane  
20 property insurance serviced by the insurers in the  
21 twelve months prior to dissolution of the fund[+]



1 ~~provided that all interest earned from the principal in the~~  
2 ~~hurricane reserve trust fund shall be transferred and deposited~~  
3 ~~into the general fund each year that the hurricane reserve trust~~  
4 ~~fund remains in existence]."~~

5 SECTION 3. Statutory material to be repealed is bracketed  
6 and stricken. New statutory material is underscored.

7 SECTION 4. This Act shall take effect on July 1, 2014;  
8 provided that on June 30, 2019, this Act shall be repealed and  
9 section 431P-16, Hawaii Revised Statutes, shall be reenacted in  
10 the form in which it read on the day prior to the effective date  
11 of this Act.



**Report Title:**

Hurricane Reserve Trust Fund; Interest and Other Earnings

**Description:**

Requires the interest and other moneys earned on the principal of the hurricane reserve trust fund to be deposited into the trust fund instead of being diverted to the general fund.  
Repeals 06/30/2019. (SD1)

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