

STAND. COM. REP. NO.

1095

Honolulu, Hawaii

APR 01 2013

RE: H.B. No. 504
H.D. 1
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 504, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO STATE FUNDS,"

begs leave to report as follows:

The purpose and intent of this measure is to implement recommendations relating to the establishment and continuance of special and revolving funds, based upon a recent report by the Office of the Auditor, *Study of the Transfer of Non-General Funds to the General Fund*.

More specifically, this measure:

- (1) Clarifies the criteria to be used by the Auditor in analyzing proposed special or revolving funds;
- (2) Expands the Auditor's statutorily required periodic review of revolving funds and trust funds to include special funds and the funds of the Department of Transportation and the Department of Defense; and
- (3) Clarifies the criteria to be used by the Legislature in determining whether to establish or continue special or revolving funds.

Your Committee received testimony in support of this measure from the Department of Budget and Finance, the Office of the



Auditor, the Land Use Research Foundation, and one individual. Your Committee received comments on this measure from the High Technology Development Corporation and the Tax Foundation of Hawaii.

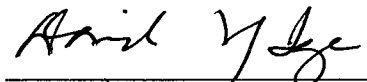
Your Committee finds that this measure will enhance the Legislature's ability to make informed decisions regarding the need to establish or continue specified special, revolving, or trust funds.

Your Committee has amended this measure by:

- (1) Conforming the criteria to be used by the Legislature in determining whether to establish or continue special funds and revolving funds consistent with the criteria to be used by the Auditor in analyzing proposed new special funds or revolving funds;
- (2) Updating the beginning years of the review schedule;
- (3) Changing the effective date to June 30, 2013; and
- (4) Making technical nonsubstantive amendments for the purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 504, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 504, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DAVID Y. IGE, Chair



The Senate
 Twenty-Seventh Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 504 HD1	WAM	3-15-13		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani	✓			
ESPERO, Will				✓
KAHELE, Gilbert	✓			
KEITH-AGARAN, Gilbert S.C.	✓			
KOUCHI, Ronald D.	✓			
RUDERMAN, Russell E.	✓			
THIELEN, Laura H.	✓			
TOKUDA, Jill N.	✓			
SLOM, Sam	✓			
TOTAL	12	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Michelle N. Kidani</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes