

Honolulu, Hawaii

April 4, 2014

RE: S.B. No. 2519
S.D. 1
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2519, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE GENERAL FUND EXPENDITURE CEILING,"

begs leave to report as follows:

The purpose of this measure is to establish a more realistic limit for general fund expenditures by:

- (1) Establishing the general fund appropriation for fiscal year 2014-2015 as the new base for calculating the general fund appropriation ceiling for fiscal year 2015-2016;
- (2) Beginning with fiscal year 2016-2017, calculating each fiscal year's expenditure ceiling by using the previous fiscal year's expenditure ceiling as the base and adjusting for applicable state growth; and
- (3) Requiring the Director of Finance to determine if the estimated expenditure ceiling exceeds the current fiscal year's general fund appropriation by greater than ten per cent and, if so, to include that determination in the Director's communications to the Governor, Chief Justice, Legislature, and public.



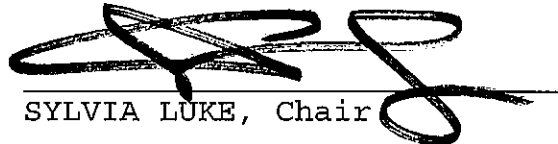
The Department of Budget and Finance and Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of 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. 2519, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2519, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.


Respectfully submitted on
behalf of the members of the
Committee on Finance,


SYLVIA LUKE, Chair



HSCR 1510-14

Record of Votes of the Committee on Finance

Bill/Resolution No.: SB 2519, SD1	Committee Referral: FIN	Date: 3/27/2014		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)	/			
2. NISHIMOTO, Scott Y. (VC)	/			
3. JOHANSON, Aaron Ling (VC)	/			
4. CULLEN, Ty J.K.	/			
5. HASHEM, Mark J.	/			/
6. ING, Kaniela	/			/
7. JORDAN, Jo	/			/
8. KOBAYASHI, Bertrand	/			
9. LOWEN, Nicole E.	/			
10. MORIKAWA, Dee	/			
11. ONISHI, Richard H.K.	/			
12. TAKAYAMA, Gregg	/			
13. TOKIOKA, James Kunane	/			
14. WOODSON, Justin H.	/			/
15. YAMASHITA, Kyle T.	/			
16. FUKUMOTO, Beth	/			
17. WARD, Gene	/			
TOTAL (17)	14			3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: 				
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