

STAND. COM. REP. NO.

1344

Honolulu, Hawaii

APR 07 2015

RE: H.B. No. 172
H.D. 1
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 172, H.D. 1, entitled:

"A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE EMERGENCY AND BUDGET RESERVE FUND,"

begs leave to report as follows:

The purpose and intent of this measure is to appropriate moneys from the general fund into the emergency and budget reserve fund.

The Department of Budget and Finance submitted written comments on this measure.

Earlier this session, your Committee heard the companion to this measure, Senate Bill No. 1312, and considered whether, pursuant to article VII, section 6, of the Hawaii Constitution, the Legislature should provide a tax refund or tax credit to state taxpayers or make a deposit into the emergency and budget reserve fund. However, section 328L-3(a)(3), Hawaii Revised Statutes, prohibits the Legislature from making a deposit into the emergency and budget fund for fiscal year 2014-2015. The Attorney General suggested that compliance with article VII, section 6, of the Hawaii Constitution may still be achieved via a deposit, rather than a tax credit or tax refund, through the enactment of a session law that would have the effect of amending section 328L-3(a)(3), Hawaii Revised Statutes, only for fiscal year 2014-2015.



Your Committee subsequently amended Senate Bill No. 1312 pursuant to the advice of the Attorney General.

Accordingly, your Committee has amended this measure by deleting its substantive contents and replacing them with sections 1, 2, and 3 of Senate Bill No. 1312, S.D. 1. As amended, this measure:

- (1) Requires the Director of Finance to transfer the total sum of the tax credit or tax refund for fiscal year 2014-2015, as determined by the Legislature pursuant to the Hawaii Constitution, to the emergency and budget reserve fund; and
- (2) Makes an appropriation from the general fund for fiscal year 2014-2015 to the emergency and budget reserve fund.

Your Committee has also amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

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. 172, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 172, 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,




JILL N. TOKUDA, Chair



The Senate
Twenty-Eighth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 172 HDI	WAM	3-24-15		
<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
TOKUDA, Jill N. (C)	✓			
KOUCHI, Ronald D. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani	✓			
GALUTERIA, Brickwood	✓			
HARIMOTO, Breene	✓			
INOUYE, Lorraine R.	✓			
RIVIERE, Gil	✓			
RUDERMAN, Russell E.	✓			
SLOM, Sam	✓			
TOTAL	4	0	0	0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">  </div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes