

STAND. COM. REP. NO. **2506**

Honolulu, Hawaii

**MAR 03 2016**

RE: S.B. No. 2732

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Eighth State Legislature  
Regular Session of 2016  
State of Hawaii

Sir:

Your Committees on Commerce, Consumer Protection, and Health and Ways and Means, to which was referred S.B. No. 2732 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII HURRICANE RELIEF FUND,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require the interest earned on the balance of the hurricane reserve trust fund to be retained in the trust fund;
- (2) Require the Board of Directors of the Hawaii Hurricane Relief Fund to conduct a study of the acquisition of a catastrophic hurricane loss financing arrangement with all or a portion of the interest earned in the hurricane reserve trust fund; and
- (3) Appropriate monies from the hurricane reserve trust fund for the study.

Your Committees received testimony in support of this measure from the Department of Defense; Hawaii Emergency Management Agency; Hawai'i Association of REALTORS; Ho'omana Pono, LLC; and one individual. Your Committees received comments on this measure from the Board of Directors of the Hawaii Hurricane Relief Fund.

Your Committees find that since 2002, the interest earned on the balance of the hurricane reserve trust fund has been



transferred and deposited into the general fund. This transfer to the general fund helped mitigate the revenue shortfalls that affected the State during the Great Recession. However, now that the economy of Hawaii has improved and general fund revenues from tax sources have and are projected to increase at fairly healthy annual rates, your Committees further find that the general fund no longer needs the interest transferred from the hurricane reserve trust fund. Accordingly, this measure requires the interest earned on the balance of the hurricane reserve trust fund to be retained in the trust fund.

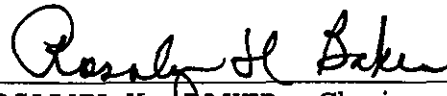
Your Committees note that the Board of Directors has previously indicated that the acquisition of a hurricane loss financing arrangement would be a valuable option for the Board to consider. However, your Committees also note that whether this type of financing arrangement would be feasible, practical, affordable, and in the public interest cannot be determined without some kind of exploration. Accordingly, this measure requires the Board of Directors to conduct a study of the acquisition of a catastrophic hurricane loss financing arrangement with all or a portion of the interest earned in the hurricane reserve trust fund. Your Committees additionally find that this study could lead to other avenues to fund the State's overall recovery after a devastating hurricane.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2732 and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committees on Commerce,  
Consumer Protection, and Health  
and Ways and Means,



JILL N. TOKUDA, Chair




ROSALYN H. BAKER, Chair



The Senate  
 Twenty-Eighth Legislature  
 State of Hawai'i

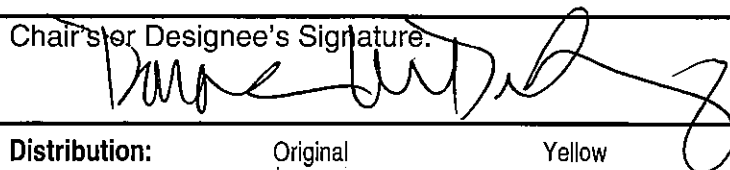
**Record of Votes**  
**Committee on Commerce, Consumer Protection, and Health**  
**CPH**

Bill / Resolution No.:*	Committee Referral:	Date:
SB 2732	CPH/WAM	2-23-16
<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 checked="" type="checkbox"/> Pass, unamended 2312	<input type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310
<input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)
	Nay	Excused
BAKER, Rosalyn H. (C)	/	
KIDANI, Michelle N. (VC)	/	
ESPERO, Will	/	
IHARA, Jr., Les		/
NISHIHARA, Clarence K.		/
RUDERMAN, Russell E.		/
SLOM, Sam	/	
<b>TOTAL</b>	<b>4</b>	<b>3</b>
Recommendation:		
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:		
		
Distribution:		
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency
		Goldenrod Committee File Copy

\*Only one measure per Record of Votes

The Senate  
 Twenty-Eighth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:* <b>SB 2732</b>	Committee Referral: <b>CPH/WAM</b>	Date: <b>2/23/16</b>		
<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 checked="" type="checkbox"/> Pass, unamended 2312 <input 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)	/			
DELA CRUZ, Donovan M. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
GALUTERIA, Brickwood	/			
HARIMOTO, Breene				/
INOUYE, Lorraine R.	/			<del>ATN</del>
RIVIERE, Gil	/			
TANIGUCHI, Brian T.	/			
WAKAI, Glenn	/			
SLOM, Sam	/			
<b>TOTAL</b>	<b>10</b>			<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

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