

STAND. COM. REP. NO.

2569

Honolulu, Hawaii

MAR 03 2016

RE: S.B. No. 2845

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

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2845 entitled:

"A BILL FOR AN ACT MAKING APPROPRIATIONS TO REPAY GENERAL FUND CASH ADVANCES,"

begs leave to report as follows:

The purpose of this measure is to formally reconcile general fund cash advances that have not been repaid and to more accurately reflect the State's general fund balance.

Specifically, this measure appropriates from the general revenues of the State:

- (1) \$89,900,000 to repay general fund cash advances to the capital projects fund for the purchase of lands of the former Kapalama Military Reservation; and
- (2) \$13,300,000 to repay general fund cash advances to the Hawaii Health Systems Corporation for its employer contributions to the Employees' Retirement System and to the Employer-Union Health Benefits Trust Fund.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and the Hawaii Health Systems Corporation.

Your Committee finds that the State's general fund balance currently reflects repayments for an \$89,900,000 cash advance authorized in 1989 for the purchase of lands of the former

SB2845 SSCR LRB 16-1023.doc

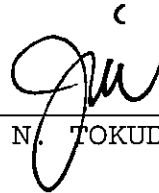


Kapalama Military Reservation and for a \$13,300,000 cash advance made in fiscal year 2002-2003 for Hawaii Health Systems Corporation contributions to the Employees' Retirement System and to the Employer-Union Health Benefits Trust Fund. However, these cash advances totaling \$103,200,000 have not been repaid and it appears unlikely that they will be repaid. Consequently, the assets and liabilities of the general fund are currently overstated by \$103,200,000.

Your Committee further finds that making the necessary appropriations and formally reconciling these general fund cash advances will more accurately reflect the general fund balance and actual resources available to finance state programs and expenses.

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 S.B. No. 2845 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

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

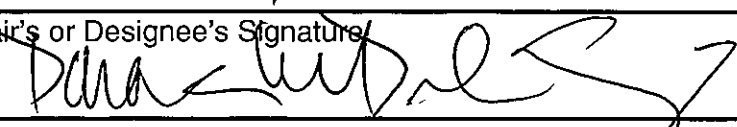


JILL N. TOKUDA, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 2845	Committee Referral: WAM	Date: 2/17/16		
<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
TOKUDA, Jill N. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
GALUTERIA, Brickwood	/			
HARIMOTO, Breene	/			
INOUYE, Lorraine R.	/			
RIVIERE, Gil	/			
TANIGUCHI, Brian T.	/			
WAKAI, Glenn	/			
SLOM, Sam	/			
TOTAL	11			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes