

Honolulu, Hawaii

APR 06

, 2018

RE: S.B. No. 192
S.D. 1
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 192, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE STATE BUDGET,"

begs leave to report as follows:

The purpose of this measure is to amend the descriptions of capital improvement projects related to the Live Stock Feed Mill and Waste Stream Recycling Facility in the General Appropriations Act of 2015, as amended by the Supplemental Appropriations Act of 2016 and the General Appropriations Act of 2017.

For the purposes of the public hearing on this measure, your Committee circulated a proposed H.D. 1 and notified the public that your Committee would be accepting testimony on the proposed H.D. 1 only. The proposed H.D. 1 amended the original draft of this measure by replacing its contents with provisions that:

- (1) Deposit settlement moneys received in 2018 that relate to compliance with the Tobacco Master Settlement Agreement from calendar years 2004 to 2017 into the Emergency and Budget Reserve Fund;
- (2) Repeal the Natural Area Reserve Fund and transfers the unencumbered balance to the general fund; and



- (3) Transfer moneys in the Tobacco Settlement Special Fund that are in excess of the needs of that special fund to the general fund.

Hawaii Cattlemen's Council, Inc. supported the proposed H.D. 1. The Department of Land and Natural Resources, University of Hawai'i, The Nature Conservancy of Hawaii, Sierra Club of Hawai'i, Hawai'i Public Health Institute, Coalition for a Tobacco-Free Hawaii, Kupuna Caucus of the Democratic Party of Hawaii, Hawaii Advocates For Consumer Rights, Surfrider Foundation, League of Women Voters of Hawaii, Healthy Climate Communities, Hawaii's Thousand Friends, Environmental Caucus of the Democratic Party of Hawai'i, Ahahui Malama I Ka Lokahi, Americans for Democratic Action Hawai'i, and numerous concerned individuals opposed the proposed H.D. 1. The Department of Budget and Finance, Department of Health, American Heart Association, American Cancer Society Cancer Action Network, and a few concerned individuals provided comments on the proposed H.D. 1.

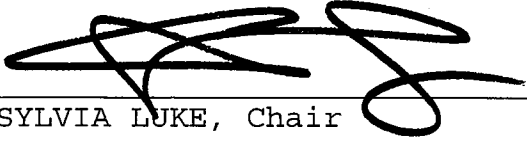
Upon further consideration, your Committee has incorporated the contents of the proposed H.D. 1 and further amended this measure by:

- (1) Restoring the Natural Area Reserve Fund;
- (2) Specifying that moneys in the Tobacco Settlement Special Fund that are in excess of the needs of that special fund are to be used to supplant any losses that result from any discount or reduction taken against regular Master Settlement Agreement payments received by the State between calendar years 2018 and 2022; and
- (3) Making technical, nonsubstantive amendments for 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. 192, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 192, 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



