
A BILL FOR AN ACT

RELATING TO STATE FUNDS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The economic impact of the coronavirus disease
2 2019 (COVID-19) as a result of the global COVID-19 pandemic has
3 created a severe budget shortfall for the State.

4 Accordingly, the purposes of this Act are to:

5 (1) Replace, where eligible, special fund appropriations
6 with general obligation bond funds;

7 (2) Deposit, or authorize the transfer of, special funds
8 into the general fund; and

9 (3) Authorize the transfer of excess moneys from other
10 sources into the dwelling unit revolving fund.

11 SECTION 2. There is appropriated out of the land
12 conservation fund the sum of \$26,300,000 or so much thereof as
13 may be necessary for fiscal year 2021-2022 to be deposited into
14 the general fund. The sum appropriated shall be expended by the
15 department of land and natural resources.

16 SECTION 3. The director of finance is authorized to issue
17 taxable general obligation bonds in the sum of \$26,300,000 or so
18 much thereof as may be necessary and the same sum or so much

1 thereof as may be necessary is appropriated for fiscal year
2 2021-2022 for deposit into the land conservation fund.

3 SECTION 4. There is appropriated out of the emergency
4 medical services special fund the sum of \$15,000,000 or so much
5 thereof as may be necessary for fiscal year 2021-2022 to be
6 deposited into the general fund. The sum appropriated shall be
7 expended by the department of health.

8 SECTION 5. There is appropriated out of the cigarette tax
9 stamp administrative special fund to the sum of \$1,000,000 or so
10 much thereof as may be necessary for fiscal year 2021-2022 to be
11 deposited into the general fund. The sum appropriated shall be
12 expended by the department of taxation.

13 SECTION 6. The director of finance is authorized to
14 transfer tax-exempt general obligation bond proceeds and accrued
15 interest from the rental housing revolving fund to the dwelling
16 unit revolving fund up to the sum of \$45,000,000 for fiscal year
17 2021-2022.

18 SECTION 7. This Act, upon its approval, shall take effect
19 on July 1, 2021.
20

21 INTRODUCED BY: _____



22 BY REQUEST

JAN 25 2021

H.B. NO. 937

Report Title:

State Funds

Description:

Authorizes transfer of special funds to general fund, replaces special fund appropriations with general obligation bond funds, authorizes transfer of excess moneys from other sources into the dwelling unit revolving fund.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

JUSTIFICATION SHEET

DEPARTMENT: Budget and Finance

TITLE: A BILL FOR AN ACT RELATING TO STATE FUNDS.

PURPOSE: To provide authorization for the transfer of special funds to the general fund; to replace, where eligible, special fund appropriations with general obligation bond funds; and to authorize the transfer of excess moneys from other sources into the dwelling unit revolving fund.

MEANS: Legislative authorizations to transfer moneys out of special funds and legislative authorization to issue taxable general obligation bonds.

JUSTIFICATION: The COVID-19 pandemic has been devastating to global, national, and state economies. The State of Hawai'i has experienced a general fund revenue shortfall of \$1.4 billion dollars due to the economic impact of the COVID-19 pandemic.

The State finds that additional funds from various special funds are needed for transfer to the general fund to ensure continued funding of critical state programs and activities.

Impact on the public: None.

Impact on the department and other agencies:
The impact on the departments and other agencies will be minimal due to the strength and scope of the special funds impacted.

GENERAL FUND: Increase to the general fund by \$47,524,000 for fiscal year 2021-2022.

OTHER FUNDS: Decrease to the Land Conservation Fund of \$26,300,000 to be replaced with taxable general obligation funds in fiscal year 2021-2022. Decrease to the Emergency

Medical Services Special Fund the sum of \$15,000,000 for fiscal year 2021-2022. Decrease to the Cigarette Tax Stamp Administrative Special Fund the sum of \$1,000,000 for fiscal year 2021-2022. Transfer tax-exempt general obligation bond proceeds and accrued interest from the Rental Housing Revolving Fund to the Dwelling Unit Revolving Fund up to the sum of \$45,000,000 for fiscal year 2021-2022.

PPBS PROGRAM

DESIGNATION:

LNR 101, Public Lands Management; HTH 760, Emergency Medical Services and Injury Prevention System; TAX 107, Support Services - Revenue Collection; BED 160, Hawaii Housing and Finance Development Corporation.

OTHER AFFECTED

AGENCIES:

All executive branch departments and agencies.

EFFECTIVE DATE:

July 1, 2021.