

STAND. COM. REP. NO. 593-24

Honolulu, Hawaii

FEB 16 , 2024

RE: H.B. No. 2378
H.D. 2

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2378, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HURRICANE RESERVE TRUST FUND,"

begs leave to report as follows:

The purpose of this measure is to move the Hurricane Reserve Trust Fund into the state treasury and make a housekeeping amendment related to the fund.

Your Committee received testimony in support of this measure from the Department of Budget and Finance. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that under existing law, the Hurricane Reserve Trust Fund is established outside of the state treasury under the direction of the Hawaii Hurricane Relief Fund's Board of Directors. The funds within the Trust Fund are invested and reinvested in accordance with the plan of operation adopted by the Board while any earned interest is transferred to the general fund each year.

Your Committee further finds that the state treasury maintains an investment pool consisting of participating state

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accounts. The funds in the state treasury are prudently managed to achieve the investment objectives of safety, liquidity, and yield, in priority order. The investment pool also enables the achievement of economies of scale for the effective and efficient management of funds and enhances the State's liquidity position. This measure folds the Trust Fund into the state treasury to better facilitate the achievement of state treasury investment objectives.

Your Committee has amended this measure by:

- (1) Repealing the Hawaii Hurricane Relief Fund's authority to:
 - (A) Arrange the manner in which funds in the Hurricane Reserve Trust Fund are held; and
 - (B) Control the manner in which funds in the Hurricane Reserve Trust Fund are invested and reinvested through the plan of operation; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2378, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 2378, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,

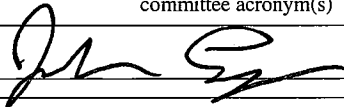


MARU M. NAKASHIMA, Chair



HOUSE 593-24

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: HB2378 HDI	Committee Referral: WAL, CPC, FIN	Date: 02-14-24		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. NAKASHIMA, Mark M. (C)	/			
2. SAYAMA, Jackson D. (VC)	/			
3. AMATO, Terez	/			
4. BELATTI, Della Au	/			
5. HASHEM, Mark J.				/
6. HUSSEY-BURDICK, Natalia				/
7. GATES, Cedric Asuega				/
8. LOWEN, Nicole E.				/
9. ONISHI, Richard H.K.	/			
10. TAM, Adrian K.				/
11. PIERICK, Elijah	/			
TOTAL (11)	6			5
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				