

STAND. COM. REP. NO. 2903

Honolulu, Hawaii

MAR 01 2024

RE: S.B. No. 582
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 582, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to appropriate moneys for expenses related to noncongregate housing and other costs relating to the provision of food, housing, or other assistance for individuals affected by the August 8, 2023, Maui wildfires.

Your Committee received written comments in support of this measure from the Hawaii Emergency Management Agency, Department of Budget and Finance, Department of Human Services, Department of the Attorney General, the Chair of the Maui County Council, and one individual.

Based on the recent informational briefings by your Committee, the State's obligations in response to the Maui wildfires will significantly surpass the \$200,000,000 that was deposited into the Major Disaster Fund for fiscal year 2023-2024. Governor's Message No. 3 did not specify the amounts needed in the emergency appropriation, as is typical of past practice. Without a clear plan for cost containment, it is difficult for the Legislature to pass a balanced budget.



As a result of the aforementioned issues, your Committee has taken the following actions:

- (1) On February 19, 2024, your Committee sent a letter to each department requesting a list of budget reductions totaling ten percent and fifteen percent of the department's general fund grand totals from Finance Memorandum No. 23-19, which can include existing cash balances from non-general funds; and
- (2) On February 22, 2024, your Committee sent a letter to each department requesting feedback and input on proposed cash transfers from non-general fund accounts that meet the following criteria:
 - (A) Fiscal year 2022-2023 revenues that were greater than fiscal year 2022-2023 expenditures;
 - (B) Fiscal year 2022-2023 ending cash balance that was greater than two times fiscal year 2022-2023 expenditures; and
 - (C) Fiscal year 2022-2023 ending cash balance that was greater than \$50,000.

In working with the departments, your Committee identified excess balances in non-general fund accounts that could be transferred in lieu of budget reductions, which will help to improve the State's financial plan.

The amounts proposed were calculated by subtracting the fiscal year 2022-2023 ending cash balance by two times the fiscal year 2022-2023 expenditures for non-general fund accounts that met the above criteria. The amounts identified reflect the maximum amounts in excess of the requirements of each fund to maintain operations over the next biennium.

Your Committee finds that transferring these excess amounts to the general fund will help the State to pass a balanced budget and meet its financial obligations to provide assistance to victims of the August 8, 2023, Maui wildfires.

Accordingly, your Committee has amended this measure by:



- (1) Adding language that authorizes the Director of Finance to transfer from the following funds or accounts the following amounts to the general fund:
- (A) S-303-A-AGRICULTURAL LOAN REVOLVING FUND:
\$2,000,000;
 - (B) S-305-A NON-AGRICULTURAL PARK LANDS SPECIAL FUND:
\$45,000;
 - (C) S-310-A AQUACULTURE LOAN RESERVE FUND: \$408,135;
 - (D) S-315-A-MILK CONTROL SPECIAL FUND: \$11,881;
 - (E) S-317-A AGRICULTURAL PARKS SPECIAL FUND: \$45,000;
 - (F) S-320-A-IRRIGATION SYSTEM REVOLVING FUND: \$87,000;
 - (G) S-322-A INDUSTRIAL HEMP PROGRAM SPECIAL FUND:
\$90,374;
 - (H) S-305-N-DNA REGISTRY SPECIAL FUND: \$79,996;
 - (I) S-350-N-INTERNET CRIMES AGAINST CHILD SPECIAL FUND:
\$181,386;
 - (J) S-305-B-ENERGY SECURITY FUND: \$463,555;
 - (K) S-342-B-STRATEGIC DEVELOPMENT PROGRAMS REVOLVING
FUND: \$5,000,000;
 - (L) S-348-B-TOURISM SPECIAL FUND: \$1,325,891;
 - (M) S-361-B-CONVENTION CENTER ENTERPRISE SPECIAL FUND:
\$11,000,000;
 - (N) S-376-B-HOUSING FINANCE REVOLVING FUND:
\$2,000,000;
 - (O) S-352-G-HAZARD MITIGATION SPECIAL FUND: \$390,320;



- (P) S-353-G-RESILIENT HI REVOLVING LOAN FUND:
\$435,622;
- (Q) S-317-K-GENERAL ASSISTANCE PAYMENTS: \$901,783;
- (R) S-310-P-HUMAN RESOURCES DEVELOPMENT SPECIAL FUND:
\$149,760;
- (S) S-331-H-EARLY INTERVENTION SPECIAL FUND: \$204,329;
- (T) S-338-H-VITAL STATISTICS IMPROVEMENT SPECIAL FUND:
\$11,074;
- (U) T-981-H-STATE HOSPITAL - DONATIONS (NOT IN S/T):
\$50,407;
- (V) T-904-L-WAGE CLAIM FUND: \$2,000,000;
- (W) S-302-C-CONSERVATION & RESOURCES ENFORCEMENT:
\$650,858;
- (X) S-303-C-WATER AND LAND DEVELOPMENT: \$509,063;
- (Y) S-309-C-BUREAU OF CONVEYANCES SPECIAL FUND:
\$250,000;
- (Z) S-316-C-SPECIAL LAND DEVELOPMENT FUND: \$1,000,000;
- (AA) S-325-C-BEACH RESTORATION SPECIAL FUND:
\$2,166,442;
- (BB) S-326-C-WATER RESOURCE MANAGEMENT FUND: \$65,740;
- (CC) S-342-C-NATURAL AREA RESERVE & WATERSHED
MANAGEMENT: \$174,853;
- (DD) S-349-C-CONSERVATION AND RESOURCES ENFORCEMENT:
\$841,237;
- (EE) S-359-C-OCEAN-BASED RECREATION SPECIAL FUND:
\$2,000,000;



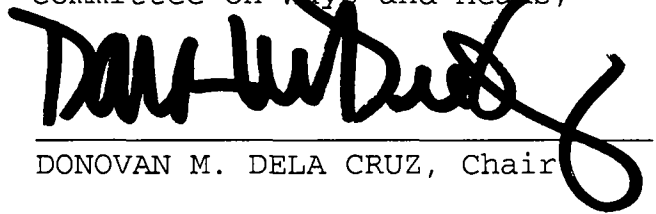
(FF) S-318-D-SAFE ROUTES TO SCHOOL PROGRAM: \$1,814,826;
and

(GG) S-329-D-MOTORCYCLE/MOTOR SCOOTER OPERATORS
EDUCATIONAL FUND: \$723,725; and

- (2) Changing the effective date to July 1, 2050, to
facilitate further discussion on the measure.

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. 582, S.D. 1, as amended herein, and recommends that it pass
Second Reading in the form attached hereto as S.B. No. 582,
S.D. 2, and be placed on the calendar for Third Reading.

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


DONOVAN M. DELA CRUZ, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
 Committee on Ways and Means
 WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SB582 SD1	WAM	2/29/2024		
<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 type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
AQUINO, Henry J.C.	X			
DECOITE, Lynn	X			
HASHIMOTO, Troy N.	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris				X
SHIMABUKURO, Maile S.L.	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
TOTAL	12			1
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