

ACT 270

S.B. NO. 623

A Bill for an Act Relating to State Funds.

Be It Enacted by the Legislature of the State of Hawaii:

PART I.

SECTION 1. Section 248-9, Hawaii Revised Statutes, is amended to read as follows:

“§248-9 State highway fund. Moneys in the state highway fund may be expended for the following purposes:

- (1) To pay the costs of operation, maintenance, and repair of the state highway system, including without limitation, the cost of equipment and general administrative overhead;
- (2) To pay the costs of acquisition (including real property and interests therein), planning, designing, construction and reconstruction of the state highway system, and bikeways, including, without limitation, the cost of equipment and general administrative overhead; and
- (3) To reimburse the general fund for interest on and principal of general obligation bonds issued to finance highway projects where [such] the bonds are designated to be reimbursable out of the state highway fund.

At any time the director of transportation may transfer from the state highway fund all or any portion of available moneys determined by the director of transportation to be in excess of one hundred [fifty] thirty five per cent of the requirements for the ensuing twelve months for the state highway fund as permitted by and in accordance with section 37-53. For purposes of [such] the determination, the director of transportation shall take into consideration [the]:

- (1) The amount of federal funds and bond funds on deposit in, and budgeted to be expended from, the state highway fund during [such] the period[, amounts];
- (2) Amounts on deposit in the state highway fund which are encumbered or otherwise obligated[, budgeted];
- (3) Budgeted amounts payable from the state highway fund during [such] the period[, and revenues];
- (4) Revenues anticipated to be received by and expenditures to be made from the state highway fund during [such] the period based on existing agreements and other information for the ensuing twelve months[.]; and [such]
- (5) Any other factors as the director of transportation shall deem appropriate.”

SECTION 2. The legislature determines that there is in the state highway fund at least \$22,559,000 in excess of the requirements of the fund. There is hereby authorized and appropriated from the retained earnings in the state highway fund created by section 248-8, Hawaii Revised Statutes, the sum of \$22,559,000 for fiscal year 1996-1997, to be deposited into the general fund.

SECTION 3. The legislature determines that there is in the state highway fund at least \$23,414,000 in excess of the requirements of the fund. There is hereby authorized and appropriated from the retained earnings in the state highway fund created by section 248-8, Hawaii Revised Statutes, the sum of \$23,414,000 for fiscal year 1997-1998, to be deposited into the general fund.

SECTION 4. The legislature determines that there is in the state highway fund at least \$24,268,000 in excess of the requirements of the fund. There is hereby authorized and appropriated from the retained earnings in the state highway fund created by section 248-8, Hawaii Revised Statutes, the sum of \$24,268,000 for fiscal year 1998-1999, to be deposited into the general fund.

PART II.

SECTION 5. The legislature finds that the State’s current financial constraints require prudent and most effective use of all state resources. As such, excess moneys in revolving funds should be identified and transferred to the general fund. The purpose of this part is to transfer sums of moneys from the designated revolving fund to the general fund upon the approval of this Act.

SECTION 6. The homes revolving fund is created by section 201E-207, Hawaii Revised Statutes, for the purpose, as specified in section 201E-207.5, Hawaii Revised Statutes, of developing and implementing affordable housing programs consisting of, without limitation, the development of infrastructure, the development of off-site and on-site improvements required for development, providing short-term or interim construction loans, development and construction of housing, and advancing equity capital for the rental housing system administered by the housing finance and development corporation. The legislature determines that:

- (1) The balance currently on deposit in the homes revolving fund is at least \$50.3 million;
- (2) The amount currently on deposit in the homes revolving fund is in excess of the amount necessary to fulfill the purposes for which the homes revolving fund was created; and
- (3) It is desirable to reduce the balance on deposit in the homes revolving fund.

SECTION 7. On July 1, 1997, the director of finance is authorized to transfer from the homes revolving fund to the general fund the sum of \$6,000,000 or so much thereof as may be necessary for fiscal year 1997-1998.

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PART III.

SECTION 8. It is the intent of this Act not to jeopardize the receipt of any federal aid nor to impair the obligation of the State or any agency thereof to the holders of any bond issued by the State or any such agency, and to the extent, and only to the extent, necessary to effectuate this intent, the governor may modify the strict provisions of this Act, but shall promptly report any such modification with reasons therefor to the legislature.

SECTION 9. If any provision of this Act, or the application thereof to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 10. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 11. This Act shall take effect on July 1, 1997; provided that section 2 shall take effect on June 30, 1997.

(Approved June 21, 1997.)