STAND. COM. REP. NO.419

Honolulu, Hawaii

FEB 2 0 2009

RE: S.B. No. 884

S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2009 State of Hawaii

Madam:

Your Committees on Health and Commerce and Consumer Protection, to which was referred S.B. No. 884 entitled:

"A BILL FOR AN ACT RELATING TO NON-GENERAL FUNDS,"

beg leave to report as follows:

The purpose of this measure is to address the budget shortfall by transferring a total of \$19,000,000 from the deposit beverage container deposit special fund and the wireless enhanced 911 fund to the general fund for fiscal year 2009-2010.

Your Committees received testimony in opposition to this measure from the City and County of Honolulu Police Department, the Kauai County Police Department, the National Emergency Numbering Association, The Wireless Association, the American Beverage Association, AT&T, and Reynolds Recycling. Comments on this measure were submitted by the Department of Budget and Finance, the Tax Foundation of Hawaii, and Intrado, Inc.

Written testimony presented to your Committees may be reviewed on the Legislature's website.

Your Committees find that, due to the recent Hawaii Supreme Court decision in *Hawaii Insurers Council v. Lingle* regarding the transfer of funds from the insurance regulation fund to the general fund, the Legislature may be limited to transferring funds that are considered general tax revenue and not fees.

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Your Committees further find that the Attorney General issue a formal opinion as to whether or not the balances in the wireless enhanced 911 fund and the deposit beverage container deposit special fund are considered regulatory fees or general tax revenues, and whether monies from these funds may be transferred to the general fund.

In addition, your Committees find that, in light of the amount of excess funds in the deposit beverage container deposit special fund, authorizing the Governor to set reasonable deposit beverage container fees will provide an opportunity to save taxpayers money.

Your Committees have amended this measure by:

- (1) Deleting sections 2 and 5 pertaining to the wireless enhanced 911 fund; and
- (2) Amending section 324G-102(d), Hawaii Revised Statutes, by deleting the one cent and one and a half cent deposit beverage container fee and authorizing the governor to set reasonable deposit beverage container fees.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 884, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 884, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Health and Commerce and Consumer Protection,

ROSALYN 🗭 BAKER, Chair

DAVID Y. IGE, Chair

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The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Health HTH

Bill / Resolution No.:*	Committee Referral: Date:							
SB 884	HT4/CPN WAM 2/12/9							
The committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye/	Aye (WR)	Nay	Excused			
IGE, David Y. (C)								
GREEN, M.D., Josh (VC)								
BAKER, Rosalyn H.								
ESPERO, Will								
NISHIHARA, Clarence K.					√			
HEMMINGS, Fred								
			12Con					
					WEAKLEY TO SEE A 1-7 - NO THE ROOM WAS READED.			
TOTAL		4	0	1				
Recommendation: Adopted 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

The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Commerce and Consumer Protection CPN

Bill / Resolution No.:*	Committee HTH/	Referral:		Date: 02/12/09				
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye	Aye (WR)	Nay	Excused			
BAKER, Rosalyn H. (C)		\			<u> </u>			
IGE, David Y. (VC)								
ESPERO, Will								
GREEN, M.D., Josh								
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TOTAL		5		l	1			
Recommendation: Adopted Not Adopted								
Chair's or Designee's Signature:								
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