

STAND. COM. REP. NO.

825

Honolulu, Hawaii

MAR 06 2009

RE: S.B. No. 884
S.D. 2

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

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 884, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to address the State's budget shortfall by transferring the excess balance from the deposit beverage container deposit special fund to the general fund.

Specifically, this measure:

- (1) Transfers an unspecified amount, determined to be in excess by the Legislature, from the deposit beverage container deposit special fund to the general fund;
- (2) Deletes the existing one cent and 1.5 cent deposit beverage container fees, and instead, directs the governor to set the deposit beverage container fee at a "reasonable" rate.

Your Committee received written comments on this measure. The written comments may be reviewed on the Legislature's website.

Your Committee finds that the current state budget deficit requires the State to identify sources of funds that may be used to alleviate the shortfall in revenues that the State is experiencing during the current state, national, and global economic downturn. Your Committee finds that the excess balance



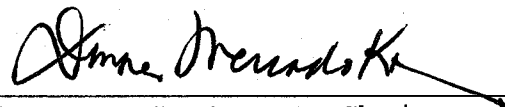
in the deposit beverage container deposit special fund is an appropriate source of moneys to help meet the cost of state obligations. In addition, your Committee finds that the excess balance in the wireless enhanced 911 fund would provide an additional source of funds to help alleviate the State's deficit. Finally, your Committee believes that the method of determining the deposit beverage container fee should continue to be a formulaic calculation based on the previous year's redemption rates, rather than leaving the amount of the fee at the Governor's discretion.

Accordingly, your Committee has amended this measure by:

- (1) Including the transfer of an unspecified amount, determined to be in excess by the Legislature, from the wireless enhanced 911 fund to the general fund;
- (2) Deleting the requirement for the Governor to establish the deposit beverage container fee at a "reasonable" rate, and restoring the previous amounts of the fee, one cent or 1.5 cents, based on the previous year's redemption rate;
- (3) Changing the effective date to January 1, 2050, to encourage further discussion; and
- (4) Making technical nonsubstantive amendments for purposes of clarity and style.

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. 884, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 884, S.D. 2.

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



DONNA MERCADO KIM, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Ways and Means
WAM

| | | | | |
|---|--|-----------------------------|----------|----------|
| Bill / Resolution No.:* SB 884 SDI | Committee Referral: HTH/CPN, WAM | Date: MAR 5, 2009 | | |
| <input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____ | | | | |
| The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div> | | | | |
| Members | Aye | Aye (WR) | Nay | Excused |
| KIM, Donna Mercado (C) | / | | | |
| TSUTSUI, Shan S. (VC) | / | | | |
| CHUN OAKLAND, Suzanne | | / | | |
| ENGLISH, J. Kalani | / | | | |
| FUKUNAGA, Carol | | / | | |
| GALUTERIA, Brickwood | / | | | |
| HEE, Clayton | | | | / |
| HOOSER, Gary L. | / | | | |
| KIDANI, Michelle N. | / | | | |
| KOKUBUN, Russell S. | | | | / |
| TOKUDA, Jill N. | | / | | |
| HEMMINGS, Fred | | | | / |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| TOTAL | 6 | 3 | 0 | 3 |
| Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div> | | | | |
| Chair's or Designee's Signature: | | | | |
| Distribution: <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="text-align: center;">Original File with Committee Report</div> <div style="text-align: center;">Yellow Clerk's Office</div> <div style="text-align: center;">Pink Drafting Agency</div> <div style="text-align: center;">Goldenrod Committee File Copy</div> </div> | | | | |

*Only one measure per Record of Votes