
A BILL FOR AN ACT

RELATING TO DISPOSITION OF EXCESS REVENUES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that article VII, section
2 6, of the Hawaii State Constitution requires the legislature to
3 provide, when certain conditions occur, a tax refund or tax
4 credit to state taxpayers or make a deposit into one or more
5 funds, as provided by law, to serve as temporary supplemental
6 sources of funding or as a reserve fund for the State. The
7 conditions are that the state general fund balances at the end
8 of two successive fiscal years exceed five per cent of the state
9 general revenues for those fiscal years.

10 The legislature found during the regular session of 2015
11 that the state general fund balances at the end of fiscal years
12 2012-2013 and 2013-2014 exceeded five per cent of the state
13 general revenues for those fiscal years. However, the
14 legislature also found that the legislature was required during
15 the regular session of 2015 to provide a tax refund or credit
16 and could not, pursuant to section 328L-3(a)(3), Hawaii Revised
17 Statutes, make a deposit into a reserve fund.



1 The legislature found that the best course of action during
2 the regular session of 2015 was to make a deposit into the
3 emergency and budget reserve fund instead of providing a tax
4 refund or credit. The legislature found it preferable during
5 the regular session of 2015 to increase the reserve fund at that
6 time to address possible emergencies and contingencies that may
7 occur in the future when state revenues slow down.

8 Although the legislature intended to provide a \$10,000,000
9 deposit of general fund revenues into the emergency and budget
10 reserve fund in fiscal year 2014-2015 and authorized such
11 action, the funds could not be deposited because of an
12 inadvertent error in the approval processing of Senate Bill
13 No. 1312, S.D. 1, H.D. 1, C.D. 1, regular session of 2015.

14 Since the end of the regular session of 2015, the
15 legislature has been engaged in the related issues of
16 homelessness and affordable rental housing. Addressing those
17 issues requires funding. Revisiting the deposit into the
18 emergency and budget reserve fund provides an opportunity to
19 provide funds for those issues.

20 The purpose of this Act is to re-appropriate moneys to
21 comply with article VII, section 6, of the Hawaii State



1 Constitution for the fiscal year 2014-2015 period. The amount
2 re-appropriated is less than the amount in Senate Bill No. 1312,
3 S.D. 1, H.D. 1, C.D. 1. The difference is intended to be
4 appropriated for homeless facilities and public housing
5 projects.

6 SECTION 2. Notwithstanding any law to the contrary, for
7 the fiscal year 2014-2015 period, the director of finance shall
8 transfer to the emergency and budget reserve fund the total sum
9 of the tax credit or tax refund as determined by the legislature
10 pursuant to the provisions of article VII, section 6, of the
11 Hawaii State Constitution.

12 SECTION 3. There is appropriated out of the general
13 revenues of the State of Hawaii the sum of \$1,000,000 or so much
14 thereof as may be necessary for fiscal year 2015-2016 to be
15 deposited into the emergency and budget reserve fund by the
16 director of finance for the fiscal year 2014-2015 period.

17 SECTION 4. This Act shall take effect upon its approval.



Report Title:

Disposition of Excess Revenues; Emergency and Budget Reserve Fund

Description:

Re-appropriates \$1,000,000 in general funds to the emergency and budget reserve fund for fiscal year 2015-2016. (SD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

