
A BILL FOR AN ACT

RELATING TO THE STATE BUDGET.

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

1 PART I

2 SECTION 1. Notwithstanding the provisions of chapter 328L,
3 Hawaii Revised Statutes, all non-participating manufacturer
4 adjustment moneys received by the State in calendar year 2018
5 that relate to compliance with the tobacco master settlement
6 agreement from calendar years 2004 to 2017 and have been
7 withheld from the State during any disputed years shall be
8 deposited into the emergency and budget reserve fund established
9 pursuant to section 328L-3, Hawaii Revised Statutes.

10 PART II

11 SECTION 2. During the 2015 regular session the legislature
12 enacted:

13 (1) Act 84, which converted funding for department of land
14 and natural resources programs from special funds to
15 general funds; and

16 (2) Act 118, which converted department of health programs
17 from special funds to general funds.



1 The purpose of this part is to:

2 (1) Repeal the natural area reserve fund and transfer the
3 unencumbered balance to the general fund; and

4 (2) Transfer moneys in the tobacco settlement special fund
5 that are in excess of the needs of that special fund
6 to the general fund.

7 SECTION 3. Section 195-9, Hawaii Revised Statutes, is
8 repealed.

9 [~~"§195-9 Natural area reserve fund; heritage program;~~
10 ~~established.~~ (a) ~~There is hereby established in the state~~
11 ~~treasury a special fund known as the natural area reserve fund~~
12 ~~to implement the purposes of this chapter, including the~~
13 ~~identification, establishment, and management of natural area~~
14 ~~reserves, the acquisition of private lands for new natural area~~
15 ~~reserves, the operation of the heritage program, and the~~
16 ~~provision of matching funds for the natural area partnership~~
17 ~~program. The fund shall be administered by the department.~~

18 (b) ~~The fund shall consist of moneys received from any~~
19 ~~public or private sources. The fund shall be held separate and~~
20 ~~apart from all other moneys, funds, and accounts in the state~~
21 ~~treasury, except that any moneys received from the federal~~



~~1 government or from private contributions shall be deposited and
2 accounted for in accordance with conditions established by the
3 agencies or persons from whom the moneys are received.
4 Investment earnings credited to the assets of the fund shall
5 become a part of the assets of the fund. Any balance remaining
6 in the fund at the end of any fiscal year shall be carried
7 forward in the fund for the next fiscal year."]~~

8 SECTION 4. The legislature finds that there is in the
9 natural area reserve special fund at least \$15,307,518 in
10 unencumbered funds. On July 1, 2018, the director of finance
11 shall transfer from the natural area reserve special fund to the
12 general fund the sum of \$15,307,518 or so much thereof as may be
13 necessary for fiscal year 2018-2019.

14 SECTION 5. The legislature finds that there is in the
15 tobacco settlement special fund at least \$18,929,462 in excess
16 of the requirements of the fund. On July 1, 2018, the director
17 of finance shall transfer from the tobacco settlement special
18 fund to the general fund the sum of \$18,929,462 or so much
19 thereof as may be necessary for fiscal year 2018-2019.



1 PART III

2 SECTION 6. Statutory material to be repealed is bracketed
3 and stricken. New statutory material is underscored.

4 SECTION 7. This Act shall take effect upon its approval.



Report Title:

State Budget; Natural Area Reserve Fund; Tobacco Settlement
Special Fund

Description:

Deposits master settlement agreement arbitration settlement amounts received in 2018 into the emergency and budget reserve fund. Repeals natural area reserve fund and authorizes the Director of Finance to transfer excess balances from natural area reserve fund and tobacco settlement special fund to the general fund. (HD1 Proposed)

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