



GOV. MSG. NO. 1109

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

April 22, 2021

The Honorable Ronald D. Kouchi,
President of the Senate
and Members of the Senate
Thirty-First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirty-First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on April 22, 2021, the following bill was signed into law:

HB1115

RELATING TO THE STATE FUNDS
ACT 009 (21)

Sincerely,

David Y. Ige
Governor, State of Hawai'i

A BILL FOR AN ACT

RELATING TO THE STATE FUNDS.

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

1 SECTION 1. Section 28-16, Hawaii Revised Statutes, is
2 amended by amending subsection (c) to read as follows:
3 "(c) Disbursements from each account maintained under
4 subsection (b) may include attorney's fees and other necessary
5 expenses that the department determines to be reasonable and
6 directly related to prosecution of the civil action for which
7 the account is maintained; provided that in the case of moneys
8 deposited as a result of recoveries by an agency to which a non-
9 general fund applies, the moneys shall be held and disbursed
10 intact for deposit to the credit of the non-general fund. Money
11 deposited in the fund pursuant to an order of the court shall be
12 disbursed in accordance with the order of the court. Any
13 residual funds remaining in an account shall be transferred to
14 the respective non-general [~~or general~~] fund with which the
15 civil action is associated or, if no specific non-general fund
16 applies, transferred to the emergency and budget reserve fund
17 established pursuant to section 328L-3, no later than thirty



1 days after the civil action for which the account is maintained
2 is closed and all costs of that civil action have been paid,
3 unless otherwise provided for by statute."

4 SECTION 2. Section 328L-3, Hawaii Revised Statutes, is
5 amended by amending subsection (a) to read as follows:

6 "(a) There is established in the state treasury the
7 emergency and budget reserve fund, which shall be a special fund
8 administered by the director of finance and into which shall be
9 deposited:

10 (1) Moneys received from the tobacco settlement moneys
11 under section 328L-2;

12 (2) Notwithstanding any other law to the contrary, any
13 moneys received through a civil action in which the
14 State is a party and no other law or court order
15 specifically provides for the deposit elsewhere of
16 moneys received through the action;

17 (3) Appropriations made by the legislature to the fund;
18 and

19 [+3+] (4) Five per cent of the state general fund balance
20 at the close of the fiscal year, whenever state
21 general fund revenues for each of two successive



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1 fiscal years exceeds revenues for each of the
2 preceding fiscal years by five per cent. For the
3 purpose of this section, the general fund balance at
4 the close of the fiscal year shall be calculated after
5 any:

- 6 (A) Tax refund or tax credit is provided by the
7 legislature;
- 8 (B) Deposit into the emergency and budget reserve
9 fund or another reserve fund is appropriated by
10 the legislature; or
- 11 (C) Prepayment of general obligation bond debt
12 service or pension or other post-employment
13 benefit liability is appropriated by the
14 legislature;

15 during the same regular session as the transfer
16 depositing such moneys to the emergency and budget
17 reserve fund; provided that transfers shall not be
18 made to the emergency and budget reserve fund whenever
19 the balance of the emergency and budget reserve fund
20 is equal to or more than ten per cent of general fund



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1 revenues for the preceding fiscal year. The transfer
 2 shall be executed by the director of finance.

3 All moneys deposited into the emergency and budget reserve fund
 4 under paragraphs (1) [~~and~~], (2), and (3) and all moneys
 5 deposited under paragraph [~~(3)~~] (4) shall be kept in separate
 6 and distinct accounts."

7 SECTION 3. Statutory material to be repealed is bracketed
 8 and stricken. New statutory material is underscored.

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

10

INTRODUCED BY:



JAN 26 2021

APPROVED this 22 day of APR , 2021



GOVERNOR OF THE STATE OF HAWAII



HB No. 1115

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: March 5, 2021
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Third Reading in the House of Representatives of the Thirty-First Legislature of the State of Hawaii, Regular Session of 2021.



Scott K. Saiki
Speaker
House of Representatives



Brian L. Takeshita
Chief Clerk
House of Representatives

THE SENATE OF THE STATE OF HAWAII

Date: APR 07 2021
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Third Reading in the Senate of the Thirty-First Legislature of the State of Hawaii, Regular Session of 2021.



Ronald D. Kouchi
President of the Senate



Carol T. Taniguchi
Clerk of the Senate