
A BILL FOR AN ACT

RELATING TO STATE FUNDS.

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

1 SECTION 1. The legislature finds that Hawaii is
2 experiencing a climate emergency. Climate change impacts are
3 felt statewide and threaten the future of the State's economy,
4 sustainability, environment, security, culture, and way of life.
5 Successful mitigation of and adaptation to climate change
6 requires comprehensive action.

7 The legislature further finds that Hawaii needs to invest
8 in efforts to reduce climate change impacts and limit current
9 and future costs of climate change. The anticipated extent of
10 the impact of climate change is such that the State needs to
11 take comprehensive and coordinated mitigation efforts as soon as
12 possible.

13 The purpose of this Act is to address the impacts of
14 climate change on the State and mitigate further impacts by:

15 (1) Allocating the interest earned on balances within the
16 emergency and budget reserve fund to the general fund
17 in years in which the emergency and budget reserve



1 fund's balance exceeds the fund balance objective set
2 for the emergency and budget reserve fund established
3 in administrative directive number 22-01; and

4 (2) Requiring the governor, for any fiscal year that
5 follows a fiscal year in which emergency and budget
6 reserve fund interest is deposited into the general
7 fund, to include in the budget or supplemental budget
8 a request that an amount of general funds equal to the
9 amount of interest deposited be expended to advance
10 projects that address climate change impacts.

11 SECTION 2. Chapter 37, Hawaii Revised Statutes, is amended
12 by adding a new section to part IV to be appropriately
13 designated and to read as follows:

14 **"§37- Climate change impacts; projects; budget request.**

15 For any fiscal year that follows a fiscal year in which interest
16 accrued from moneys in the emergency and budget reserve fund is
17 deposited into the general fund pursuant to section 328L-3(b),
18 the governor shall request, in the budget or supplemental budget
19 submitted to the legislature pursuant to section 37-71 or 37-72,
20 that an amount of general funds equal to the amount of interest
21 that was deposited into the general fund in the preceding fiscal



1 year be expended to advance specific projects that address
2 climate change impacts, including projects that mitigate, adapt
3 to, or increase resiliency to climate change."

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

6 "(b) All interest earned from moneys in the emergency and
7 budget reserve fund shall be credited to the emergency and
8 budget reserve fund[~~-~~]; provided that if the accrual of interest
9 would cause the balance of the emergency and budget reserve fund
10 to exceed the fund balance objective set for the emergency and
11 budget reserve fund, as established in administrative directive
12 number 22-01, then:

13 (1) Any interest amounts that would cause the fund's
14 balance to exceed the fund balance objective shall be
15 credited to the general fund; and

16 (2) The governor, in the following fiscal year, shall
17 request that an amount of general funds equal to the
18 amount of interest deposited into the general fund
19 pursuant to paragraph (1) be expended to advance
20 specific projects that address climate change,
21 pursuant to section 37- ."



1 SECTION 4. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.
3 SECTION 5. This Act shall take effect on July 1, 3000.



Report Title:

Emergency and Budget Reserve Fund; Interest; General Fund;
Executive Budget; Projects; Climate Change Impacts

Description:

Allocates interest earned on balances within the emergency and budget reserve fund to the general fund in years in which the emergency and budget reserve fund's balance exceeds the State's fund balance objective. For any fiscal year following a fiscal year in which emergency and budget reserve fund interest is deposited into the general fund, requires the Governor to include in the budget or supplemental budget submitted to the Legislature a request that an amount of general funds equal to the amount of interest deposited be expended to advance projects that address climate change impacts. Effective 7/1/3000. (HD1)

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