

ACT 8

S.B. NO. 942

A Bill for an Act Relating to the Emergency and Budget Reserve Fund.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 328L-3, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

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

- (1) ~~Twenty-four and one-half per cent of the moneys received from the tobacco settlement moneys under section 328L-2(b)(1);~~ Moneys received from the tobacco settlement moneys under section 328L-2;
- (2) Appropriations made by the legislature to the fund; and
- (3) Five per cent of the state general fund balance at the close of the fiscal year, whenever state general fund revenues for each of two successive fiscal years exceeds revenues for each of the preceding fiscal years by five per cent, pursuant to article VII, section 6 of the Hawaii constitution. For the purpose of this section, the general fund balance at the close of the fiscal year shall be calculated before any tax refund or tax credit is authorized by the legislature, pursuant to article VII, section 6 of the Hawaii constitution, that is provided during the same regular session as the transfer depositing such moneys to the emergency and budget reserve fund; provided that trans-

fers shall not be made to the emergency and budget reserve fund whenever the balance of the emergency and budget reserve fund is equal to or more than ten per cent of general fund revenues for the preceding fiscal year. The transfer shall be executed by the director of finance;

provided that all moneys deposited into the emergency and budget reserve fund under paragraphs (1) and (2) and all moneys deposited under paragraph (3) shall be kept in separate and distinct accounts.”

**SECTION 2.** Statutory material to be repealed is bracketed and stricken.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

**SECTION 3.** This Act shall take effect upon its approval.

(Approved April 26, 2017.)