

Honolulu, Hawaii

FEB 07 , 2024

RE: H.B. No. 2378
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Water & Land, to which was referred H.B. No. 2378 entitled:

"A BILL FOR AN ACT RELATING TO THE HURRICANE RESERVE TRUST FUND,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Move the Hurricane Reserve Trust Fund into the state treasury and delete an obsolete provision related to the deposit of funds into the Hurricane Reserve Trust Fund for fiscal years 2013-2014 and 2014-2015; and
- (2) Deleting a provision requiring the deposit of a certain amount of general excise tax revenues into the State Other Post-Employment Benefits Trust Fund.

Your Committee received testimony in support of this measure from the Department of Budget and Finance. Your Committee received testimony in opposition to this measure from the Hawaii Insurers Council. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the state treasury maintains an investment pool consisting of participating state accounts. Funds



within the state treasury are prudently managed to achieve the investment objectives of safety, liquidity, and yield, in priority order. The investment pool also enables the achievement of economies of scale for the effective and efficient management of funds and enhances the State's liquidity position.

Your Committee further finds that the amount of interest earned from the principal in the Hurricane Reserve Trust Fund and deposited to the general fund has fluctuated. This measure transfers the Hurricane Reserve Trust Fund into the state treasury to better facilitate the achievement of state treasury investment objectives.

Your Committee has amended this measure by:

- (1) Restoring the provision requiring the deposit of a certain amount of general excise tax revenues into the State Other Post-Employment Benefits Trust Fund;
- (2) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2378, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2378, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Water & Land,


LINDA ICHIYAMA, Chair



Record of Votes of the Committee on Water & Land

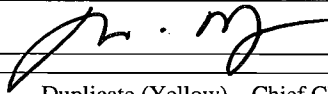
Bill/Resolution No.: HB2378	Committee Referral: WAL, CPC, FIN	Date: 02/01/24
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The committee is reconsidering its previous decision on the measure.

The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold
 Pass short form bill with HD to recommit for future public hearing (recommit)

WAL Members	Ayes	Ayes (WR)	Nays	Excused
1. ICHIYAMA, Linda (C)	✓			
2. POEPOE, Mahina (VC)	✓			
3. CHUN, Cory M.	✓			
4. GANADEN, Sonny	✓			
5. HASHEM, Mark J.	✓			
6. MIZUNO, May Besario	✓			
7. MORIKAWA, Dee	✓			
8. TAKAYAMA, Gregg	✓			
9. SOUZA, Kanani	✓			
TOTAL (9)	9			

The recommendation is: Adopted Not Adopted
If joint referral, _____ did not support recommendation.
committee acronym(s)

Vice Chair's or designee's signature: 

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