HONOLULU CITY COUNCIL

KE KANIHELA O KE KALANA O HONOLULU

CITY AND COUNTY OF HONOLULU

ORDINANCE _____

BILL 32 (2025)

A BILL FOR AN ORDINANCE

RELATING TO FUNDS.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. Purpose. The purpose of this ordinance is to amend the provisions pertaining to the Reserve for Fiscal Stability Fund.

SECTION 2. Section 6-56.2, Revised Ordinances of Honolulu 2021, is amended to read as follows:

"§ 6-56.2 Purpose.

The reserve for fiscal stability fund is designated for economic and revenue downturns and emergency situations. Fund moneys may be appropriated by ordinance only when one or more of the conditions identified in subdivisions (1), (2), or (3) are met:

(1) *Economic triggers.*

(A) The unemployment rate for the City and County of Honolulu increases by more than 2 percent within three fiscal quarters; or

(B) The total value of net taxable real property declines by 2 percent or more from the preceding fiscal year;

(2) *Revenue triggers.*

(A) City general fund and highway fund revenues decline by 2 percent or more from the preceding fiscal year;

(B) Transient accommodation tax revenues decline by 5 percent or more from the preceding fiscal year; [~~or~~]

(C) Nondiscretionary city expenditures increase by more than 5 percent of the preceding fiscal year's revenues; or

(D) Federal funds allocated to the City under any federal program that has provided allotments to the City and County of Honolulu on an annual, biennial, or other regular basis (whether directly or through the State of Hawaii) are suspended or discontinued after January 1, 2025 and the

suspension or discontinuation of federal funds endangers the health, welfare, or safety of residents of the City and County of Honolulu, which endangerment may extend over multiple fiscal years; or

(3) *Emergencies.*

(A) The Governor of the State of Hawaii or the President of the United States of America declares that a state of emergency exists within the City and County of Honolulu as a result of a natural disaster or an occurrence, or imminent threat thereof, which results or may likely result in substantial injury or harm to the population in the City and County of Honolulu, or substantial damage to or loss of property of residents of the City and County of Honolulu. For the purposes of this subdivision, the phrase "occurrence, or imminent threat thereof," means a pandemic or other widespread health crisis for which the Governor of the State of Hawaii has declared a state of emergency; or

(B) Unfunded mandates are enacted by the State or federal government, imposed after the enactment of the City and County of Honolulu's fiscal year budget, and require outlays before the start of the subsequent fiscal year."

SECTION 3. Ordinance material to be deleted is bracketed and stricken. New material is underscored. When revising, compiling, or printing this ordinance for inclusion in the Revised Ordinances of Honolulu, the Revisor of Ordinances need not include the brackets, the bracketed and stricken material, or the underscoring.

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SECTION 4. This ordinance takes effect upon its approval; provided that the amendments to the Revised Ordinances of Honolulu 2021 made in Section 2 of this ordinance shall be repealed on June 30, 2029.

INTRODUCED BY:

(br)

DATE OF INTRODUCTION:

MAR 24 2025

Honolulu, Hawai'i

Councilmembers

APPROVED AS TO FORM AND LEGALITY:

Deputy Corporation Counsel

APPROVED this _____day of _____, 20 ____.

RICK BLANGIARDI, Mayor
City and County of Honolulu

Report Title: Bill Relating to Funds; Reserve for Fiscal Stability Fund.

Description: To modify revenue triggers to allow the drawdown of monies from the Fiscal Stability Fund.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.