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 1990, is amended to read as follows:

"Sec. 6-56.2 Purpose.

The reserve for fiscal stability fund is designated for economic and revenue downturns and emergency situations, and fund monies 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 two percent within three fiscal quarters; or

(B) Total value of net taxable real property declines by two percent or more from the preceding fiscal year.

(2) Revenue Triggers:

(A) General fund and highway fund revenues decline by two percent or more from the preceding fiscal year; or

(B) Transient accommodation tax revenues decline by five percent or more from the preceding fiscal year; or

(C) Nondiscretionary expenditures increase by more than five percent of the preceding fiscal year's revenues.

(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
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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; 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 prior to 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.
SECTION 4. This ordinance takes effect upon its approval.