
A BILL FOR AN ACT

RELATING TO EDUCATION.

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

1 SECTION 1. The legislature finds that the department of
2 education established a federal revenue maximization program to
3 develop a process to recover reimbursement for all
4 medicaid-eligible health services that the department provides
5 to Hawaii's school-aged children.

6 The legislature also finds that moneys generated from the
7 revenue maximization program are deposited into the general
8 fund. However, the deposit of generated revenue into the
9 general fund does not guarantee that the moneys are dedicated to
10 the school-based federal revenue maximization program. The
11 establishment of a revolving fund for the federal revenue
12 maximization program is necessary to provide a clear nexus
13 between the revenue generated from the school-based claiming
14 program and the provision of those services.

15 The purpose of this Act is to create a revolving fund for
16 the collection and disbursement of generated revenue to support
17 the administration and operations of the federal revenue
18 maximization program.



1 SECTION 2. Chapter 302A, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 **"§302A- Federal revenue maximization program revolving**
5 **fund.** (a) There is established in the state treasury the
6 federal revenue maximization program revolving fund to be
7 administered by the department.

8 (b) The federal revenue maximization program revolving
9 fund shall consist of:

10 (1) Federal revenue collected by the department for
11 administering and operating the school-based federal
12 revenue maximization program;

13 (2) Legislative appropriations;

14 (3) All interest earned on the deposit or investment of
15 moneys in the federal revenue maximization program;

16 and

17 (4) Any other moneys made available to the federal revenue
18 maximization program revolving fund from other
19 sources."

20 SECTION 3. New statutory material is underscored.

21 SECTION 4. This Act shall take effect on July 1, 2006.

Report Title:

Education; Federal Revenue Maximization Revolving Fund

Description:

Establishes the federal revenue maximization revolving fund to collect and disburse revenue for medicaid-eligible health services provided to public school children. (SD1)

