
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 establishment of
2 a revolving fund for the department of education's office of
3 Hawaii child nutrition program is necessary to account for the
4 receipts from the administrative fees charged to the recipient
5 agencies for the distribution of federal commodity foods.
6 The legislature further finds that the United States Department
7 of Agriculture Food and Nutrition Service, Western Region
8 Office, monitors and approves the administrative fees charged to
9 the recipient agencies. However, federal legislation does not
10 allow the department of education to expend federal moneys for
11 the operations of state contracted warehouses.

12 The purpose of this Act is to create a revolving fund for
13 the collection and disbursement of generated revenue to support
14 the administration and operation of the department of education
15 food distribution program.

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



1 "§302A- Food distribution program revolving fund. (a)

2 There is established the food distribution program revolving
3 fund to be administered by the department.

4 (b) The food distribution program revolving fund shall
5 consist of:

6 (1) Administrative fees collected by the department for
7 administering and operating the food distribution
8 program;

9 (2) All interest earned on the deposit or investment of
10 moneys in the food distribution program revolving
11 fund; and

12 (3) Any other moneys made available to the food
13 distribution program revolving fund from other
14 sources.

15 (c) The revolving fund shall be used by the department for
16 the collection and disbursement of generated revenue to support
17 the administration and operation of the food distribution
18 program.

19 (d) The balance in the food distribution program revolving
20 fund shall not exceed the sum of \$2,000,000, or so much thereof
21 as may be necessary to pay for services rendered by the state
22 contracted warehouses for the distribution of federal commodity



1 foods to the recipient agencies. Any moneys remaining in the
2 revolving fund in excess of \$2,000,000 at the end of each fiscal
3 year shall lapse to the credit of the general fund.

4 (e) The food distribution program revolving fund shall not
5 be used for:

6 (1) Consultant or personal services rendered;

7 (2) Travel expenses that may include conference
8 registration, per diem, or airfare costs; or

9 (3) The purchase of furniture, equipment, computer
10 hardware, or office supplies."

11 SECTION 3. There is appropriated out of the food
12 distribution program revolving fund of the State of Hawaii the
13 sum of \$2,000,000, or so much thereof as may be necessary for
14 fiscal year 2007-2008, and the same sum, or so much thereof as
15 may be necessary for fiscal year 2008-2009, for the payment of
16 services provided by state contracted warehouses for the
17 distribution of federal commodity foods to recipient agencies
18 under the department of education food distribution program.

19 The sums appropriated shall be expended by the department
20 of education for the purposes of this Act.

21 SECTION 4. New statutory material is underscored.

22 SECTION 5. This Act shall take effect on July 1, 2007.



Report Title:

DOE; Revolving Fund; Food Distribution Program

Description:

Establishes food distribution program revolving fund to support the administration and operation of the food distribution program of the department of education; prohibits the fund from exceeding \$2,000,000 from revenues generated; and appropriates funds. (SD1)

