
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
7 Department of Agriculture Food and Nutrition Service, Western
8 Region Office, monitors and approves the administrative fees
9 charged to the recipient agencies. However, federal legislation
10 does not allow the department of education to expend federal
11 moneys for 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, including payments to contracted
16 warehouses.



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- Food distribution program revolving fund. (a)

5 There is established in the state treasury the food distribution
6 program revolving fund to be administered by the department.

7 (b) The food distribution program revolving fund shall
8 consist of:

9 (1) Administrative fees collected by the department for
10 administering and operating the food distribution
11 program;

12 (2) All interest earned on the deposit or investment of
13 moneys in the food distribution program revolving
14 fund; and

15 (3) Any other moneys made available to the food
16 distribution program revolving fund from other
17 sources.

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



1 (d) The balance in the food distribution program revolving
2 fund shall not exceed the sum of \$2,000,000, or so much thereof
3 as may be necessary to pay for services rendered by state
4 contracted warehouses for the distribution of federal commodity
5 foods to recipient agencies. Any unexpended and unencumbered
6 moneys remaining in the revolving fund in excess of \$2,000,000
7 at the close of each fiscal year shall lapse to the credit of
8 the state general fund.

9 (e) The food distribution program revolving fund shall not
10 be used for:

- 11 (1) Consultant or personal services rendered;
- 12 (2) Travel expenses that may include conference
13 registration, per diem, or airfare costs; or
- 14 (3) The purchase of furniture, equipment, computer
15 hardware, or office supplies."

16 SECTION 3. Of the general fund appropriation for the
17 warehousing and distribution of federal commodity foods for the
18 National School Lunch Program (EDN), the sum of \$
19 shall be transferred to the food distribution program revolving
20 fund.

21 SECTION 4. There is appropriated out of the food
22 distribution program revolving fund of the State of Hawaii the



1 sum of \$, or so much thereof as may be necessary for
2 fiscal year 2007-2008, and the same sum, or so much thereof as
3 may be necessary for fiscal year 2008-2009, for the payment of
4 services provided by state contracted warehouses for the
5 distribution of federal commodity foods to recipient agencies
6 under the department of education food distribution program.

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

9 SECTION 5. New statutory material is underscored.

10 SECTION 6. This Act shall take effect on July 1, 2007.



Report Title:

DOE; Food Distribution Program; Revolving Fund; Appropriation

Description:

Establishes a revolving fund for the department of education in order for it to disburse revenue in support of its food distribution program. (SD2)

