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## A BILL FOR AN ACT

RELATING TO THE FEDERAL GRANTS REVOLVING FUND.

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

1 SECTION 1. The purpose of this Act is to:

2 (1) Rename the existing federal grants search,  
3 development, and application revolving fund within the  
4 department of education as the federal grants  
5 revolving fund; and

6 (2) Include, as allowable uses of the federal grants  
7 revolving fund, expenditures for monitoring grant  
8 execution, ensuring compliance with grant  
9 requirements, and auditing grant expenditures.

10 SECTION 2. Section 302A-1405, Hawaii Revised Statutes, is  
11 amended to read as follows:

12 "[+]§302A-1405[+] **Federal grants** [~~search, development, and~~  
13 ~~application~~] revolving fund. (a) There is established a  
14 federal grants [~~search, development, and application~~] revolving  
15 fund into which shall be deposited the department's share of  
16 federal indirect overhead reimbursements, pursuant to section  
17 302A-1404. Unless otherwise provided by law, all other receipts  
18 shall immediately be deposited to the credit of the general fund



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1 of the State. The department may expend funds in the federal  
 2 grants [~~search, development, and application~~] revolving fund to  
 3 search for discretionary grants, [~~and~~] develop program  
 4 applications to secure additional revenues for the department,  
 5 monitor grant execution, ensure compliance with grant  
 6 requirements, and audit grant expenditures. Moneys in the  
 7 revolving fund may be expended for consultant services and  
 8 operational expenses, including the creation and hiring of  
 9 temporary staff.

10 (b) The department shall prepare and submit an annual  
 11 report on the status of the federal grants [~~search, development,~~  
 12 ~~and application~~] revolving fund to the legislature. The annual  
 13 report shall include but not be limited to a list of the grant  
 14 applications to the federal agencies and the grant awards  
 15 received. "

16 SECTION 3. Statutory material to be repealed is bracketed  
 17 and stricken. New statutory material is underscored.

18 SECTION 4. This Act shall take effect upon its approval.  
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INTRODUCED BY: TJTD

JAN 22 2009



**Report Title:**

Federal Grants Revolving Fund

**Description:**

Renames the existing Federal Grants Search, Development, and Application Revolving Fund as the Federal Grants Revolving Fund. Allows funds in the Federal Grants Revolving Fund to be used to monitor grant execution, ensure compliance with grant requirements, and audit grant expenditures.

