

JAN 23 2009

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# A BILL FOR AN ACT

RELATING TO SPECIAL FUNDS.

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

1           SECTION 1.   Section 37-52.3, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           " ~~[H]~~ §37-52.3 ~~[H]~~   ~~[Criteria for the]~~ Special fund;  
4 ~~establishment and continuance [of special funds].~~   Special funds  
5 shall only be established pursuant to an ~~[act]~~ Act of the  
6 legislature.   The legislature, in establishing or reviewing a  
7 special fund to determine whether it should be continued, shall  
8 ensure that the special fund:

9           (1)   Serves the purpose for which it was originally  
10                established;

11           (2)   Reflects a clear nexus between the benefits sought and  
12                charges made upon the users or beneficiaries of the  
13                program~~[,]~~ or activity that is funded by the special  
14                fund, as opposed to serving primarily as a means to  
15                provide the program or users with an automatic means  
16                of support that is ~~[removed from the normal]~~ not part  
17                of the budget and appropriation process;



- 1 (3) Provides an appropriate means of financing for the  
2 program or activity; and  
3 (4) Demonstrates the capacity to be financially self-  
4 sustaining."

5 SECTION 2. Statutory material to be repealed is bracketed  
6 and stricken. New statutory material is underscored.

7 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY:

*Amne Inerado K.*



**Report Title:**  
Special Funds

**Description:**  
Clarifies the law with respect to the establishment and  
continuance of special funds.

