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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 23-12, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "**§23-12 Review of revolving, special, and trust funds.**

4 (a) The office of the state auditor shall report to the  
5 legislature, at each regular session, a review of revolving,  
6 special, and trust funds established to provide services  
7 rendered by any state department or establishment to other state  
8 departments or establishments or to any political subdivision of  
9 the State. The review shall include but not be limited to:

10           (1) An evaluation of the original intent and purpose of  
11 each fund, both as expressed by the legislature and as  
12 understood by the expending agency;

13           (2) The degree to which each fund achieves the stated and  
14 claimed purposes;

15           (3) An evaluation of performance standards established by  
16 the agency; and



1 (4) A summary statement reflecting total fund transactions  
2 in the preceding five fiscal years, including the fund  
3 balance at the beginning of each fiscal year, total  
4 deposits and withdrawals, amount of interest earned,  
5 total expenditures made from the fund, and the ending  
6 fund balance for each fiscal year.

7 (b) Each revolving, special, and trust fund shall be  
8 reviewed every five years as follows:

9 (1) Beginning 1994 and every five years thereafter, the  
10 auditor shall submit a review of the revolving,  
11 special, and trust funds of the department of  
12 accounting and general services; the department of  
13 agriculture; the department of budget and finance; and  
14 the department of land and natural resources; provided  
15 that the auditor shall begin the special fund review  
16 required under this paragraph in 2014;

17 (2) Beginning 1995 and every five years thereafter, the  
18 auditor shall submit a review of the revolving,  
19 special, and trust funds of the department of the  
20 attorney general; the department of business, economic  
21 development, and tourism; and the University of Hawaii  
22 system; provided that the auditor shall begin the



1 special fund review required under this paragraph in  
2 2010;

3 (3) Beginning 1996 and every five years thereafter, the  
4 auditor shall submit a review of the revolving,  
5 special, and trust funds within the judiciary and of  
6 the department of commerce and consumer affairs; the  
7 department of Hawaiian home lands; the department of  
8 health; and the department of human services; provided  
9 that the auditor shall begin the special fund review  
10 required under this paragraph in 2011;

11 (4) Beginning 1997 and every five years thereafter, the  
12 auditor shall submit a review of the revolving,  
13 special, and trust funds of the office of the  
14 governor; the office of Hawaiian affairs; and the  
15 department of education; provided that the auditor  
16 shall begin the special fund review required under  
17 this paragraph in 2012; and

18 (5) Beginning 1998 and every five years thereafter, the  
19 auditor shall submit a review of the revolving,  
20 special, and trust funds of the department of labor  
21 and industrial relations; the department of taxation;  
22 the department of human resources development; the



1 department of public safety; and all other moneys  
2 expended in accordance with section 37-40[-]; provided  
3 that the auditor shall begin the special fund review  
4 required under this paragraph in 2013."

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.



**Report Title:**

Special Funds; Review; Auditor

**Description:**

Includes special funds in the auditor's review of revolving and trust funds. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

