
A BILL FOR AN ACT

RELATING TO FINANCE.

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

1 SECTION 1. Section 26-9, Hawaii Revised Statutes, is
2 amended by amending subsection (o) to read as follows:
3 "(o) Every person licensed under any chapter within the
4 jurisdiction of the department of commerce and consumer affairs
5 and every person licensed subject to chapter 485A or registered
6 under chapter 467B shall pay upon issuance of a license, permit,
7 certificate, or registration a fee and a subsequent annual fee
8 to be determined by the director and adjusted from time to time
9 to ensure that the proceeds, together with all other fines,
10 income, and penalties collected under this section, do not
11 surpass the annual operating costs of conducting compliance
12 resolution activities required under this section. The fees may
13 be collected biennially or pursuant to rules adopted under
14 chapter 91, and shall be deposited into the special fund
15 established under this subsection. Every filing pursuant to
16 chapter 514E or section 485A-202(a)(26) shall be assessed, upon
17 initial filing and at each renewal period in which a renewal is
18 required, a fee that shall be prescribed by rules adopted under



1 chapter 91, and that shall be deposited into the special fund
2 established under this subsection. Any unpaid fee shall be paid
3 by the licensed person, upon application for renewal,
4 restoration, reactivation, or reinstatement of a license, and by
5 the person responsible for the renewal, restoration,
6 reactivation, or reinstatement of a license, upon the
7 application for renewal, restoration, reactivation, or
8 reinstatement of the license. If the fees are not paid, the
9 director may deny renewal, restoration, reactivation, or
10 reinstatement of the license. The director may establish,
11 increase, decrease, or repeal the fees when necessary pursuant
12 to rules adopted under chapter 91. The director may also
13 increase or decrease the fees pursuant to section 92-28.

14 There is created in the state treasury a special fund to be
15 known as the compliance resolution fund to be expended by the
16 director's designated representatives as provided by this
17 subsection. Notwithstanding any law to the contrary, all
18 revenues, fees, and fines collected by the department shall be
19 deposited into the compliance resolution fund. Unencumbered
20 balances existing on June 30, 1999, in the cable television fund
21 under chapter 440G, the division of consumer advocacy fund under
22 chapter 269, the financial institution examiners' revolving



1 fund, section 412:2-109, the special handling fund, section 414-
2 13, and unencumbered balances existing on June 30, 2002, in the
3 insurance regulation fund, section 431:2-215, shall be deposited
4 into the compliance resolution fund. This provision shall not
5 apply to the drivers education fund underwriters fee, sections
6 431:10C-115 and 431:10G-107, insurance premium taxes and
7 revenues, revenues of the workers' compensation special
8 compensation fund, section 386-151, the captive insurance
9 administrative fund, section 431:19-101.8, the insurance
10 commissioner's education and training fund, section 431:2-214,
11 the medical malpractice patients' compensation fund as
12 administered under section 5 of Act 232, Session Laws of Hawaii
13 1984, and fees collected for deposit in the office of consumer
14 protection restitution fund, section 487-14, the real estate
15 appraisers fund, section 466K-1, the real estate recovery fund,
16 section 467-16, the real estate education fund, section 467-19,
17 the contractors recovery fund, section 444-26, the contractors
18 education fund, section 444-29, and the condominium education
19 trust fund, section 514B-71. Any law to the contrary
20 notwithstanding, the director may use the moneys in the fund to
21 employ, without regard to chapter 76, hearings officers and
22 attorneys. All other employees may be employed in accordance



1 with chapter 76. Any law to the contrary notwithstanding, the
2 moneys in the fund shall be used to fund the operations of the
3 department[-]; provided that, beginning on July 1, 2011, the
4 director of finance shall transfer moneys from the fund to
5 retroactively fund all interest payments on general obligation
6 bonds issued for the purposes of assisting the operations of the
7 department of commerce and consumer affairs through
8 infrastructure improvements and shall collect payment for the
9 interest on the general obligation bonds from the fund each year
10 thereafter. The moneys in the fund may be used to train
11 personnel as the director deems necessary and for any other
12 activity related to compliance resolution.

13 As used in this subsection, unless otherwise required by
14 the context, "compliance resolution" means a determination of
15 whether:

- 16 (1) Any licensee or applicant under any chapter subject to
17 the jurisdiction of the department of commerce and
18 consumer affairs has complied with that chapter;
19 (2) Any person subject to chapter 485A has complied with
20 that chapter;



1 (3) Any person submitting any filing required by chapter
2 514E or section 485A-202(a)(26) has complied with
3 chapter 514E or section 485A-202(a)(26);

4 (4) Any person has complied with the prohibitions against
5 unfair and deceptive acts or practices in trade or
6 commerce; or

7 (5) Any person subject to chapter 467B has complied with
8 that chapter;

9 and includes work involved in or supporting the above functions,
10 licensing, or registration of individuals or companies regulated
11 by the department, consumer protection, and other activities of
12 the department.

13 The director shall prepare and submit an annual report to
14 the governor and the legislature on the use of the compliance
15 resolution fund. The report shall describe expenditures made
16 from the fund including non-payroll operating expenses."

17 SECTION 2. Statutory material to be repealed is bracketed
18 and stricken. New statutory material is underscored.

19 SECTION 3. This Act shall take effect on July 1, 2011.
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INTRODUCED BY:

Calvin K. Day

Paul C. [Signature]
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Marilyn [Signature]
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HB HMS 2011-1247



JAN 21 2011

Report Title:

Compliance Resolution Fund

Description:

Requires the Director of Finance to transfer funds from the Compliance Resolution Fund to fund all interest payments on General Obligation bonds issued on behalf of the Department of Commerce and Consumer Affairs and to annually collect funds from the Compliance Resolution Fund to pay the interest payments on the General Obligation bonds beginning on July 1, 2011.

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

