
A BILL FOR AN ACT

RELATING TO STATE FUNDS.

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

- 1 SECTION 1. The purpose of this Act is to repeal,
2 terminate, or close certain statutorily or administratively
3 established revolving or trust funds that were clearly
4 identified by the auditor for repeal, termination, or closure in
5 the auditor's report no. 10-09, November 2010, to the
6 legislature, entitled "Review of Revolving Funds, Trust Funds,
7 and Trust Accounts of the Judiciary and the Departments of
8 Commerce and Consumer Affairs, Hawaiian Home Lands, Health, and
9 Human Services". Specifically, these funds are as follows:
- 10 (1) Pulama I Na 'Opio O Hawaii trust fund;
11 (2) Travel agency recovery fund trust fund;
12 (3) Collections revolving funds;
13 (4) Federal maximization revolving fund;
14 (5) Hawaii public housing authority administration
15 revolving fund;
16 (6) Health care revolving fund;
17 (7) Kahikolu 'Ohana O Wai'anae project trust fund; and



1 (8) Teacher's housing operating fund.

2 SECTION 2. Section 23-11, Hawaii Revised Statutes, is
3 amended to read as follows:

4 "[~~H~~]§23-11[~~H~~] **New special or revolving funds.** (a) Within
5 five days after the deadline for the introduction of bills in
6 each legislative session, the [~~e~~lerks] clerk of each house of
7 the legislature shall transmit[~~,~~] to the [~~l~~egislative] auditor
8 for analysis, copies of all legislative bills that were
9 introduced in their respective houses during that session that
10 propose to establish new special or revolving funds.

11 (b) The criteria to be used by the auditor in analyzing
12 each legislative bill shall include[~~, but not be limited to,~~]
13 the extent to which the fund:

- 14 (1) Serves the purpose for which it is being created; and
- 15 (2) Reflects a clear link between the benefit sought and
16 [~~changes~~] charges made upon the users or beneficiaries
17 of the program, as opposed to serving primarily as a
18 means to provide the program or users with an
19 automatic means of support which is removed from the
20 normal budget and appropriations process.



1 Each analysis shall set forth the probable effects of the
2 proposed fund and shall also assess alternative forms of
3 funding.

4 (c) No later than thirty days prior to the adjournment
5 sine die of each legislative session, the [~~legislative~~] auditor
6 shall submit the analysis of each transmitted legislative bill
7 to each house of the legislature."

8 SECTION 3. Act 285, Session Laws of Hawaii 1991, is
9 amended by amending section 4 to read as follows:

10 "SECTION 4. Effective October 1, 1991, all funds remaining
11 in the travel agency recovery fund shall be held for
12 disbursement to claimants pursuant to section 468K-5, Hawaii
13 Revised Statutes, until the fund is exhausted; provided,
14 however, that all such claims are limited to claims arising from
15 travel services purchased prior to October 1, 1991; provided
16 further that no lawsuit commenced on or after October 1, 1993,
17 shall be effective to result in a recovery from the travel
18 agency recovery fund.

19 Upon being notified of a civil proceeding that may result
20 in a claim against the travel agency recovery fund, pursuant to
21 section 468K-5, Hawaii Revised Statutes, the director shall
22 reserve \$8,000 for each licensee involved in each civil



1 proceeding. The funds reserved shall be released only upon the
2 entry of judgment and an order of payment, and shall be released
3 and paid in accordance with the court's orders. Any reserved
4 funds that remain after payment pursuant to court order shall
5 revert to being unreserved funds within the travel agency
6 recovery fund, subject to reservation in any future case.

7 All funds remaining in the travel agency recovery fund
8 after the resolution of all civil proceedings commenced prior to
9 October 1, 1993, if any, shall become part of the compliance
10 resolution fund for use in travel agency-related cases[-];
11 provided that the travel agency recovery fund shall be closed on
12 June 30, 2011."

13 SECTION 4. The judiciary shall terminate the
14 administratively established Pulama I Na 'Opio O Hawaii trust
15 fund at the close of business on June 30, 2011.

16 SECTION 5. The Maui regional system board, the east Hawaii
17 regional board, and the west Hawaii regional board of the Hawaii
18 health systems corporation shall terminate their
19 administratively established collections revolving funds at the
20 close of business on June 30, 2011.



1 SECTION 6. The department of human services shall
2 terminate the following administratively established revolving
3 funds or trust funds:

- 4 (1) Federal maximization revolving fund;
- 5 (2) Hawaii public housing authority administration
6 revolving fund; and

7 (3) Kahikolu 'Ohana O Wai'anae project trust fund;
8 at the close of business on June 30, 2011.

9 SECTION 7. The director of finance is authorized to
10 transfer to the general fund any balances remaining as of June
11 30, 2011, in the following funds:

- 12 (1) Collections revolving funds;
- 13 (2) Federal maximization revolving fund;
- 14 (3) Health care revolving fund;
- 15 (4) Hawaii public housing authority administration
16 revolving fund;
- 17 (5) Kahikolu 'Ohana O Wai'anae project trust fund;
- 18 (6) Pulama I Na 'Opio O Hawaii trust fund; and
- 19 (7) Teacher's housing operating fund.

20 SECTION 8. Statutory material to be repealed is bracketed
21 and stricken. New statutory material is underscored.

22 SECTION 9. This Act shall take effect on July 1, 2050.



Report Title:

Revolving and Trust Funds

Description:

Repeals, terminates, or closes certain revolving and trust funds. Effective 7/1/2050. (SD1)

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

