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# A BILL FOR AN ACT

RELATING TO STATE FUNDS.

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

1

**PART I**

2

**Expired Funds**

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SECTION 1. The legislature finds that certain funds,  
established by statutes that have long been repealed, are  
effectively non-functional. The legislature further finds that  
since the statutory purposes for which these funds were  
established have been repealed, these funds have outlived their  
usefulness to the State. Finally, the legislature finds that  
the moneys currently languishing in these funds will serve the  
State more effectively if they are deposited into the general  
fund and, therefore, become accessible to the State.

12

The purpose of this part is to terminate certain funds for  
which the statutory authority has expired and to deposit the  
residual amounts left in each fund into the general fund.

15

SECTION 2. On July 1, 2011:

16

(1) All moneys in the travel agency recovery fund, the  
travel agency education fund, and the patients'  
compensation fund as of June 30, 2011, shall be

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1 transferred to the general fund of the State of  
2 Hawaii; and  
3 (2) The travel agency recovery fund, the travel agency  
4 education fund, and the patients' compensation fund  
5 shall cease to exist.

6 PART II

7 University of Hawaii

8 SECTION 3. Section 304A-116, Hawaii Revised Statutes, is  
9 amended by amending subsection (b) to read as follows:

10 "(b) The provision of child care services may be supported  
11 with proceeds from the child care programs [~~revolving~~] special  
12 fund established under section [+]304A-2252[+], public funds,  
13 and private grants and gifts to pay for the expenses of  
14 operation, including payment of principal and interest on any  
15 obligations incurred."

16 SECTION 4. Section 304A-2252, Hawaii Revised Statutes, is  
17 amended to read as follows:

18 "[+]§304A-2252[+] Child care programs [~~revolving~~] special  
19 fund. There is established a child care programs [~~revolving~~]  
20 special fund for the operation of child care programs  
21 established under section 304A-116 and the construction and  
22 renovation of child care centers established by the University



1 of Hawaii. Fees charged for child care at child care programs,  
2 proceeds from donations to the university for child care  
3 programs, and proceeds from loans or other instruments of  
4 indebtedness for the construction or renovation of child care  
5 centers shall be deposited into the [~~revolving~~] special fund.  
6 Expenditures from the [~~revolving~~] special fund shall be made for  
7 the operation of child care programs and payment of principal  
8 and interest on obligations incurred for the construction or  
9 renovation of child care centers."

10 SECTION 5. Section 304A-2253, Hawaii Revised Statutes, is  
11 amended as follows:

12 1. By amending subsection (a) to read:

13 "(a) There is established a University of Hawaii research  
14 and training revolving fund into which shall be deposited one  
15 hundred per cent of the total amount of indirect overhead  
16 revenues generated by the university from research and training  
17 programs. The board of regents is authorized to expend one  
18 hundred per cent of the revenues deposited in the fund for:

19 (1) Research and training purposes that may result in  
20 additional research and training grants and contracts;

21 (2) Facilitating research and training at the university;

22 and



1 (3) Further deposit into the discoveries and inventions  
2 [revolving] special fund [~~and the University of Hawaii~~  
3 ~~housing assistance revolving fund~~]."

4 2. By amending subsection (c) to read:

5 "(c) Notwithstanding sections 304A-107[7] and  
6 [+]~~304A-2254~~[+], ~~and [304A-2258]~~ to the contrary, the board of  
7 regents or its designee, may establish a separate account within  
8 the research and training revolving fund for the purpose of  
9 providing advance funding to meet reimbursable costs incurred in  
10 connection with federally financed research and training  
11 projects. Any reimbursement received as a result of providing  
12 advance funding shall be deposited into the research and  
13 training revolving fund to be used for the purpose of meeting  
14 reimbursable costs incurred in connection with federally  
15 financed projects."

16 SECTION 6. Section 304A-2254, Hawaii Revised Statutes, is  
17 amended to read as follows:

18 "[+]§304A-2254[+] Discoveries and inventions [~~revolving~~  
19 special fund. There is established a discoveries and inventions  
20 [~~revolving~~] special fund into which shall be deposited a portion  
21 of the total indirect overhead funds generated by the university  
22 for research and training purposes in the prior fiscal year, as



1 determined by the board of regents. Appropriations by the  
2 legislature subject to the approval of the governor, proceeds  
3 from the commercial exploitation of inventions and intellectual  
4 property developed at the university, gifts, donations, fees  
5 collected, and grants from public agencies and private persons  
6 may also be deposited into the special fund for the purposes of  
7 supporting innovation and research commercialization and the  
8 patenting, copyrighting, licensing, and marketing of  
9 discoveries, inventions, and technologies developed at the  
10 university. The special fund shall be used to develop  
11 technologies that have potential commercial value, support the  
12 administration of technology transfer activities, and facilitate  
13 economic development through education and research undertaken  
14 at the university."

15 SECTION 7. Section 304A-2259, Hawaii Revised Statutes, is  
16 amended to read as follows:

17 "[+]§304A-2259[+] University of Hawaii alumni [~~revolving~~]  
18 special fund. There is established the University of Hawaii  
19 alumni [~~revolving~~] special fund into which shall be deposited  
20 funds and proceeds received by the university from alumni  
21 activities and donations from alumni. Funds deposited into this  
22 [~~revolving~~] special fund may be expended by the university for



1 all costs associated with conducting alumni affairs, activities,  
2 and programs for the university system, including but not  
3 limited to expenses for honoraria, hotel and room rentals, food  
4 and refreshment, printing and mailing, banners and signs,  
5 plaques and awards, airfare and per diem, leis, rental of  
6 audiovisual, musical, and stage equipment, and activity supplies  
7 and materials, without regard to statutory competitive bidding  
8 requirements."

9 SECTION 8. Section 304A-2261, Hawaii Revised Statutes, is  
10 amended to read as follows:

11 "[+]§304A-2261[+] University of Hawaii at Manoa  
12 intercollegiate athletics [~~revolving~~] special fund and  
13 University of Hawaii at Hilo intercollegiate athletics  
14 [~~revolving~~] special fund. Notwithstanding any other law to the  
15 contrary, there are established the University of Hawaii at  
16 Manoa intercollegiate athletics [~~revolving~~] special fund and the  
17 University of Hawaii at Hilo intercollegiate athletics  
18 [~~revolving~~] special fund for the intercollegiate athletic  
19 programs of the University of Hawaii at Manoa and the University  
20 of Hawaii at Hilo, which shall be used to receive, deposit,  
21 disburse, and account for funds from the activities of the  
22 intercollegiate athletic programs. The university may establish



1 appropriate charges for activities related to its athletic  
2 programs and the use of its athletic facilities, the proceeds  
3 from which shall be deposited into these [~~revolving~~] special  
4 funds.

5 The university shall maintain the financial integrity and  
6 viability of these [~~revolving~~] special funds, including the  
7 maintenance of an adequate reserve to cope with the various  
8 factors that impact the revenue structure of an intercollegiate  
9 athletic program."

10 SECTION 9. Section 304A-2262, Hawaii Revised Statutes, is  
11 amended to read as follows:

12 "[~~+~~§304A-2262[~~+~~] Animal research farm, Waialeale, Oahu  
13 [~~revolving~~] special fund. There is established the animal  
14 research farm, Waialeale, Oahu [~~revolving~~] special fund for the  
15 animal research farm, Waialeale, Oahu, operated by the college of  
16 tropical agriculture and human resources of the University of  
17 Hawaii, into which shall be deposited the receipts from fees  
18 realized from the sale of livestock, services, and supplies.  
19 Funds deposited into this [~~revolving~~] special fund shall be  
20 expended for animal research, and services and supplies related  
21 thereto."



1 SECTION 10. Section 304A-2271, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 "[+]§304A-2271[+] University of Hawaii-Hilo theatre  
4 [revolving] special fund. There is established the University  
5 of Hawaii-Hilo theatre [revolving] special fund, which shall  
6 consist of admissions, advertising sales, corporate  
7 sponsorships, marketing, merchandising, donations, fund-raising,  
8 fees, charges, and other moneys collected in conjunction with  
9 the University of Hawaii-Hilo theatre program. The [revolving]  
10 special fund shall be administered by the office of  
11 administrative affairs of the University of Hawaii at Hilo.  
12 Funds may be expended for all costs associated with the theatre  
13 program, including artists' fees, production costs, personnel  
14 costs, honoraria, per diem, hotel and room rentals, food and  
15 refreshments, printing and mailing, advertising, airfare, leis,  
16 rental or purchase of equipment, and theater supplies and  
17 materials."

18 SECTION 11. Section 304A-2158, Hawaii Revised Statutes, is  
19 repealed.

20 [~~§304A-2158~~] ~~Western Governors University special fund.~~  
21 ~~There is established a Western Governors University special fund~~  
22 ~~into which shall be deposited all revenues derived from the~~





1 ~~State's participation in the Western Governors University,~~  
2 ~~except University of Hawaii income from tuition and fees charged~~  
3 ~~for regular courses of instruction and tuition related course~~  
4 ~~and fee charges to students. The fund shall be administered by~~  
5 ~~the board of regents of the University of Hawaii and shall be~~  
6 ~~used for the State's membership and participation in the Western~~  
7 ~~Governors University." ]~~

8 SECTION 12. Section 304A-2258, Hawaii Revised Statutes, is  
9 repealed.

10 [~~§304A-2258~~] ~~University of Hawaii housing assistance~~  
11 ~~revolving fund. There is established the University of Hawaii~~  
12 ~~housing assistance revolving fund into which shall be deposited~~  
13 ~~a portion of the total indirect overhead funds generated by the~~  
14 ~~university for research and training purposes in the prior~~  
15 ~~fiscal year as determined by the board of regents. The fund~~  
16 ~~shall be used to:~~

- 17 (1) ~~Implement the university housing assistance master~~  
18 ~~plan, in accordance with policies adopted by the board~~  
19 ~~of regents; and~~
- 20 (2) ~~Account for all transactions of the university housing~~  
21 ~~assistance program, including but not limited to~~  
22 ~~revenues, expenditures, loans, and transfers." ]~~



1 SECTION 13. Section 304A-2264, Hawaii Revised Statutes, is  
2 repealed.

3 ~~["§304A-2264] Conference center revolving fund;~~  
4 ~~University of Hawaii at Manoa. There is established the~~  
5 ~~conference center revolving fund for the conference center~~  
6 ~~program in the college of continuing education and community~~  
7 ~~service of the University of Hawaii at Manoa. All fees,~~  
8 ~~charges, and other moneys collected in conjunction with the~~  
9 ~~conference center program shall be deposited in the revolving~~  
10 ~~fund. The dean of the college of continuing education and~~  
11 ~~community service is authorized to expend funds from the~~  
12 ~~revolving fund for all costs associated with conducting~~  
13 ~~conferences, seminars, and courses by the conference center~~  
14 ~~program, including but not limited to expenses for honoraria,~~  
15 ~~hotel and room rentals, food and refreshment, printing and~~  
16 ~~mailing, airfare and per diem, leis, rental of audiovisual~~  
17 ~~equipment, and conference supplies and materials." ]~~

18 SECTION 14. Section 304A-2265, Hawaii Revised Statutes, is  
19 repealed.

20 ~~["§304A-2265] International exchange healthcare tourism~~  
21 ~~revolving fund. (a) There is established the international~~  
22 ~~exchange healthcare tourism revolving fund for the international~~



1 ~~exchange of healthcare tourism program into which shall be~~  
2 ~~deposited all donations, gifts, contributions, legislative~~  
3 ~~appropriations, and moneys generated by the program through~~  
4 ~~education, training, and research contracts and grants. Moneys~~  
5 ~~deposited into this fund for the school of medicine and the~~  
6 ~~school of nursing and dental hygiene shall be divided into~~  
7 ~~separate accounts for each school, provided that moneys not~~  
8 ~~designated for use by a particular school shall be divided~~  
9 ~~equally. Moneys shall be expended from each account by the~~  
10 ~~school of medicine and the school of nursing and dental hygiene,~~  
11 ~~for student aid, training projects, teaching, supplies,~~  
12 ~~services, and activities related to the development and~~  
13 ~~promotion of the health related tourism education program.~~

14 ~~(b) All unexpended and unencumbered moneys appropriated by~~  
15 ~~the legislature remaining in the fund at the close of each~~  
16 ~~fiscal year that are deemed, by the director of finance, to be~~  
17 ~~in excess of the moneys necessary to carry out the purposes of~~  
18 ~~this section over the next following fiscal year shall lapse to~~  
19 ~~the credit of the state general fund." ]~~

20 SECTION 15. Section 304A-2266, Hawaii Revised Statutes, is  
21 repealed.



1           ~~["§304A-2266] Education laboratory school summer programs~~  
2 ~~revolving fund. There is established the education laboratory~~  
3 ~~school summer programs revolving fund, from which shall be paid~~  
4 ~~the cost of operations of the education laboratory school summer~~  
5 ~~programs. The education laboratory school may establish~~  
6 ~~appropriate charges for activities related to its summer~~  
7 ~~programs, the proceeds from which shall be deposited into this~~  
8 ~~revolving fund."]~~

9           SECTION 16. Section 304A-2269, Hawaii Revised Statutes, is  
10 repealed.

11           ~~["§304A-2269] Community college and University of Hawaii~~  
12 ~~at Hilo bookstore revolving fund. There is established the~~  
13 ~~community college and University of Hawaii at Hilo bookstore~~  
14 ~~revolving fund for the community college and University of~~  
15 ~~Hawaii at Hilo bookstores, from which shall be paid the cost of~~  
16 ~~goods or services rendered or furnished to the bookstores and~~  
17 ~~which shall be replenished through charges made for goods and~~  
18 ~~services or through transfers from other accounts or funds."]~~

19           SECTION 17. Section 304A-2353, Hawaii Revised Statutes, is  
20 repealed.

21           ~~["§304A-2353] The Senator Hiram L. Fong scholarship~~  
22 ~~program; endowment trust. (a) There is established the Senator~~



1 ~~Hiram L. Fong scholarship program to be administered by the~~  
2 ~~university with proceeds from an endowment trust that shall~~  
3 ~~receive its initial funding by an appropriation out of the~~  
4 ~~general revenues of the State. The program shall provide~~  
5 ~~financial support to students enrolled at any campus of the~~  
6 ~~university.~~

7 ~~(b) Awards shall be granted annually to one female student~~  
8 ~~and one male student who:~~

- 9 ~~(1) Are graduates of a public high school in the State;~~  
10 ~~(2) Are upperclassmen at the university;~~  
11 ~~(3) Submit winning essays to the board of regents on the~~  
12 ~~senator's contributions to Hawaii;~~  
13 ~~(4) Have a demonstrated commitment to local community~~  
14 ~~issues, as shown by volunteer work and participation~~  
15 ~~in community organizations; and~~  
16 ~~(5) Have a demonstrated interest and knowledge of the~~  
17 ~~history of immigration to Hawaii.~~

18 ~~(c) The amount to be awarded to a student shall be~~  
19 ~~determined by the board of regents with due regard to the total~~  
20 ~~amount of funds available for the program. The award that a~~  
21 ~~student receives under this program may be used to:~~



- 1       ~~(1) Pay for the costs of tuition and fees for a single~~  
2           ~~academic year;~~
- 3       ~~(2) Pay for the costs of textbooks and other instructional~~  
4           ~~materials for a single academic year;~~
- 5       ~~(3) Pay for the costs of room and board at a dormitory or~~  
6           ~~apartment maintained by the university for a single~~  
7           ~~academic year; or~~
- 8       ~~(4) Defray the difference between student need, as~~  
9           ~~determined by the Free Application for Federal Student~~  
10           ~~Aid, and the total cost of attendance for a single~~  
11           ~~academic year.~~

12       ~~(d) The board of regents shall adopt rules to implement~~  
13       ~~the Senator Hiram L. Fong scholarship program. The rules shall~~  
14       ~~be adopted pursuant to chapter 91 but shall be exempt from the~~  
15       ~~public notice and public hearing requirements.~~

16       ~~(e) The scholarship program shall be funded with proceeds~~  
17       ~~from an endowment trust established with initial funding by an~~  
18       ~~appropriation out of the general revenues of the State and shall~~  
19       ~~be administered by the board of regents for the purposes of~~  
20       ~~supporting the Senator Hiram L. Fong scholarship program." ]~~

21       SECTION 18. Section 304A-2354, Hawaii Revised Statutes, is  
22       repealed.



1           ~~["§304A-2354] The Senator Oren E. Long scholarship~~  
2 ~~program, endowment trust. (a) There is established the Senator~~  
3 ~~Oren E. Long scholarship program to be administered by the~~  
4 ~~university with proceeds from an endowment trust that shall~~  
5 ~~receive its initial funding by an appropriation out of the~~  
6 ~~general revenues of the State. The program shall provide~~  
7 ~~financial support to students enrolled at any campus of the~~  
8 ~~university.~~

9           ~~(b) Awards shall be granted annually to one female student~~  
10 ~~and one male student who:~~

- 11           ~~(1) Are graduates of a public high school in the State;~~  
12           ~~(2) Are upperclassmen at the university; and~~  
13           ~~(3) Submit winning essays to the board of regents on the~~  
14           ~~senator's contributions to Hawaii.~~

15           ~~(c) The amount to be awarded to a student shall be~~  
16 ~~determined by the board of regents with due regard to the total~~  
17 ~~amount of funds available for the program. The award that a~~  
18 ~~student receives under this program may be used to:~~

- 19           ~~(1) Pay for the costs of tuition and fees for a single~~  
20           ~~academic year;~~  
21           ~~(2) Pay for the costs of textbooks and other instructional~~  
22           ~~materials for a single academic year;~~



1       ~~(3) Pay for the costs of room and board at a dormitory or~~  
2       ~~apartment maintained by the university for a single~~  
3       ~~academic year; or~~

4       ~~(4) Defray the difference between student need, as~~  
5       ~~determined by the Free Application for Federal Student~~  
6       ~~Aid, and the total cost of attendance for a single~~  
7       ~~academic year.~~

8       ~~(d) The board of regents shall adopt rules to implement~~  
9       ~~the Senator Oren E. Long scholarship program. The rules shall~~  
10       ~~be adopted pursuant to chapter 91 but shall be exempt from the~~  
11       ~~public notice and public hearing requirements.~~

12       ~~(e) The scholarship program shall be funded with proceeds~~  
13       ~~from an endowment trust established with initial funding by an~~  
14       ~~appropriation out of the general revenues of the State and shall~~  
15       ~~be administered by the board of regents for the purposes of~~  
16       ~~supporting the Senator Oren E. Long scholarship program." ]~~

17       SECTION 19. All fund balances remaining unencumbered and  
18       unexpended as of June 30, 2011, in the University of Hawaii at  
19       Manoa conference center revolving fund shall be transferred to  
20       the general fund.

21       SECTION 20. All fund balances remaining unencumbered and  
22       unexpended as of June 30, 2011, in the University of Hawaii





1 housing assistance revolving fund shall be transferred to the  
2 credit of the Manoa faculty housing program under the University  
3 of Hawaii auxiliary enterprises special fund established under  
4 section 304A-2157, Hawaii Revised Statutes.

5 SECTION 21. The conversion of revolving funds to special  
6 funds pursuant to sections 4, 6, 7, 8, 9, and 10 of this Act  
7 shall in no way be construed as an authorization to remove,  
8 alter, or amend any moneys from any revolving fund other than  
9 for the purposes of this Act and for the allowable uses under  
10 relevant law.

11 PART III

12 Fund Transfers

13 SECTION 22. The recession of 2008 swept across the nation  
14 and many parts of the world with unanticipated force and brought  
15 with it enormous challenges for governments at all levels. Its  
16 effects on businesses and employment are still being felt today,  
17 including a profound impact on Hawaii in terms of tax revenues  
18 and the state budget.

19 The legislature finds that due to the extraordinary fiscal  
20 circumstances the State is facing, non-general funds must be  
21 reviewed and scrutinized to determine if there is an excess of



1 balances available to help address the critical budget shortfall  
2 in fiscal year 2011-2012.

3 The purpose of this part is to help address the fiscal year  
4 2011-2012 budget shortfall by transferring excess balances from  
5 various non-general funds into the State's general fund.

6 SECTION 23. The legislature determines that there is in  
7 the state risk management revolving fund at least \$ in  
8 excess of the requirements of the fund. On July 1, 2011, the  
9 director of finance is authorized to transfer from the state  
10 risk management revolving fund to the general fund the sum of  
11 \$ or so much thereof as may be necessary for fiscal  
12 year 2011-2012.

13 SECTION 24. The legislature determines that there is in  
14 the medicaid investigations recovery fund at least \$  
15 in excess of the requirements of the fund. On July 1, 2011, the  
16 director of finance is authorized to transfer from the state  
17 medicaid investigations recovery fund to the general fund the  
18 sum of \$ or so much thereof as may be necessary for  
19 fiscal year 2011-2012.

20 SECTION 25. The legislature determines that there is in  
21 the convention center enterprise special fund at least  
22 \$ in excess of the requirements of the fund. On July



1 1, 2011, the director of finance is authorized to transfer from  
2 the convention center enterprise special fund to the general  
3 fund the sum of \$                      or so much thereof as may be  
4 necessary for fiscal year 2011-2012.

5        SECTION 26. The legislature determines that there is in  
6 the tourism special fund at least \$                      in excess of the  
7 requirements of the fund. On July 1, 2011, the director of  
8 finance is authorized to transfer from the tourism special fund  
9 to the general fund the sum of \$                      or so much thereof as  
10 may be necessary for fiscal year 2011-2012.

11        SECTION 27. The legislature determines that there is in  
12 the energy security special fund at least \$                      in excess  
13 of the requirements of the fund. On July 1, 2011, the director  
14 of finance is authorized to transfer from the energy security  
15 special fund to the general fund the sum of \$                      or so  
16 much thereof as may be necessary for fiscal year 2011-2012.

17        SECTION 28. The legislature determines that there is in  
18 the statewide geospatial information and data integration  
19 special fund at least \$                      in excess of the requirements  
20 of the fund. On July 1, 2011, the director of finance is  
21 authorized to transfer from the statewide geospatial information  
22 and data integration special fund to the general fund the sum of



1 \$ or so much thereof as may be necessary for fiscal  
2 year 2011-2012.

3 SECTION 29. The legislature determines that there is in  
4 the Hawaii community development revolving fund at least  
5 \$ in excess of the requirements of the fund. On  
6 July 1, 2011, the director of finance is authorized to transfer  
7 from the Hawaii community development revolving fund to the  
8 general fund the sum of \$ or so much thereof as may be  
9 necessary for fiscal year 2011-2012.

10 SECTION 30. The legislature determines that there is in  
11 the Aloha Tower fund at least \$ in excess of the  
12 requirements of the fund. On July 1, 2011, the director of  
13 finance is authorized to transfer from the Aloha Tower fund to  
14 the general fund the sum of \$ or so much thereof as  
15 may be necessary for fiscal year 2011-2012.

16 SECTION 31. The legislature determines that there is in  
17 the compliance resolution fund at least \$ in excess of  
18 the requirements of the fund. On July 1, 2011, the director of  
19 finance is authorized to transfer from the compliance resolution  
20 fund to the general fund the sum of \$ or so much  
21 thereof as may be necessary for fiscal year 2011-2012.



1 SECTION 32. The legislature determines that there is in  
2 the mental health and substance abuse special fund at least  
3 \$ in excess of the requirements of the fund. On  
4 July 1, 2011, the director of finance is authorized to transfer  
5 from the mental health and substance abuse special fund to the  
6 general fund the sum of \$ or so much thereof as may be  
7 necessary for fiscal year 2011-2012.

8 SECTION 33. The legislature determines that there is in  
9 the drug demand reduction assessments special fund at least  
10 \$ in excess of the requirements of the fund. On  
11 July 1, 2011, the director of finance is authorized to transfer  
12 from the drug demand reduction assessments special fund to the  
13 general fund the sum of \$ or so much thereof as may be  
14 necessary for fiscal year 2011-2012.

15 SECTION 34. The legislature determines that there is in  
16 the neurotrauma special fund at least \$ in excess of  
17 the requirements of the fund. On July 1, 2011, the director of  
18 finance is authorized to transfer from the neurotrauma special  
19 fund to the general fund the sum of \$ or so much  
20 thereof as may be necessary for fiscal year 2011-2012.

21 SECTION 35. The legislature determines that there is in  
22 the emergency medical services special fund at least \$



1 in excess of the requirements of the fund. On July 1, 2011, the  
2 director of finance is authorized to transfer from the emergency  
3 medical services special fund to the general fund the sum of  
4 \$ or so much thereof as may be necessary for fiscal  
5 year 2011-2012.

6 SECTION 36. The legislature determines that there is in  
7 the electronic device recycling fund at least \$ in  
8 excess of the requirements of the fund. On July 1, 2011, the  
9 director of finance is authorized to transfer from the  
10 electronic device recycling fund to the general fund the sum of  
11 \$ or so much thereof as may be necessary for fiscal  
12 year 2011-2012.

13 SECTION 37. The legislature determines that there is in  
14 the environmental management special fund at least \$  
15 in excess of the requirements of the fund. On July 1, 2011, the  
16 director of finance is authorized to transfer from the  
17 environmental management special fund to the general fund the  
18 sum of \$ or so much thereof as may be necessary for  
19 fiscal year 2011-2012.

20 SECTION 38. The legislature determines that there is in  
21 the deposit beverage container deposit special fund at least  
22 \$ in excess of the requirements of the fund. On



1 July 1, 2011, the director of finance is authorized to transfer  
2 from the deposit beverage container deposit special fund to the  
3 general fund the sum of \$ or so much thereof as may be  
4 necessary for fiscal year 2011-2012.

5 SECTION 39. The legislature determines that there is in  
6 the employment and training fund at least \$ in excess  
7 of the requirements of the fund. On July 1, 2011, the director  
8 of finance is authorized to transfer from the employment and  
9 training fund to the general fund the sum of \$ or so  
10 much thereof as may be necessary for fiscal year 2011-2012.

11 SECTION 40. The legislature determines that there is in  
12 the special unemployment insurance administration fund at least  
13 \$ in excess of the requirements of the fund. On  
14 July 1, 2011, the director of finance is authorized to transfer  
15 from the special unemployment insurance administration fund to  
16 the general fund the sum of \$ or so much thereof as  
17 may be necessary for fiscal year 2011-2012.

18 SECTION 41. The legislature determines that there is in  
19 the special fund for disability benefits at least \$ in  
20 excess of the requirements of the fund. On July 1, 2011, the  
21 director of finance is authorized to transfer from the special  
22 fund for disability benefits to the general fund the sum of



1 \$ or so much thereof as may be necessary for fiscal  
2 year 2011-2012.

3 SECTION 42. The legislature determines that there is in  
4 the special premium supplementation fund at least \$ in  
5 excess of the requirements of the fund. On July 1, 2011, the  
6 director of finance is authorized to transfer from the special  
7 premium supplementation fund to the general fund the sum of  
8 \$ or so much thereof as may be necessary for fiscal  
9 year 2011-2012.

10 SECTION 43. The legislature determines that there is in  
11 the rental motor vehicle customer facility charge special fund  
12 at least \$ in excess of the requirements of the fund.  
13 On July 1, 2011, the director of finance is authorized to  
14 transfer from the rental motor vehicle customer facility charge  
15 special fund to the general fund the sum of \$ or so  
16 much thereof as may be necessary for fiscal year 2011-2012.

17 SECTION 44. The legislature determines that there is in  
18 the Waialua loan subsidy program balance, contained in the  
19 rental assistance revolving fund, at least \$ in excess  
20 of the requirements of the program. On July 1, 2011, the  
21 director of finance is authorized to transfer from the Waialua  
22 loan subsidy program balance to the general fund the sum of





1 \$ or so much thereof as may be necessary for fiscal  
2 year 2011-2012.

3 SECTION 45. The legislature determines that there is in  
4 the UH faculty housing project series 1995 bond proceed special  
5 fund at least \$ in excess of the requirements of the  
6 fund. On July 1, 2011, the director of finance is authorized to  
7 transfer from the UH faculty housing project series 1995 bond  
8 proceed special fund to the general fund the sum of \$  
9 or so much thereof as may be necessary for fiscal year 2011-  
10 2012.

11 PART IV

12 Conforming Amendments

13 SECTION 46. Section 28-8.3, Hawaii Revised Statutes, is  
14 amended by amending subsection (a) to read as follows:

15 "(a) No department of the State other than the attorney  
16 general may employ or retain any attorney, by contract or  
17 otherwise, for the purpose of representing the State or the  
18 department in any litigation, rendering legal counsel to the  
19 department, or drafting legal documents for the department;  
20 provided that the foregoing provision shall not apply to the  
21 employment or retention of attorneys:



- 1           (1) By the public utilities commission, the labor and  
2           industrial relations appeals board, and the Hawaii  
3           labor relations board;
- 4           (2) By any court or judicial or legislative office of the  
5           State; provided that if the attorney general is  
6           requested to provide representation to a court or  
7           judicial office by the chief justice or the chief  
8           justice's designee, or to a legislative office by the  
9           speaker of the house of representatives and the  
10          president of the senate jointly, and the attorney  
11          general declines to provide such representation on the  
12          grounds of conflict of interest, the attorney general  
13          shall retain an attorney for the court, judicial, or  
14          legislative office, subject to approval by the court,  
15          judicial, or legislative office;
- 16          (3) By the legislative reference bureau;
- 17          (4) By any compilation commission that may be constituted  
18          from time to time;
- 19          (5) By the real estate commission for any action involving  
20          the real estate recovery fund;
- 21          (6) By the contractors license board for any action  
22          involving the contractors recovery fund;



- 1        ~~[(7)]~~ By the trustees for any action involving the travel
- 2                    agency recovery fund;
- 3        ~~[(8)]~~ (7) By the office of Hawaiian affairs;
- 4        ~~[(9)]~~ (8) By the department of commerce and consumer
- 5                    affairs for the enforcement of violations of chapters
- 6                    480 and 485A;
- 7        ~~[(10)]~~ (9) As grand jury counsel;
- 8        ~~[(11)]~~ (10) By the Hawaiian home lands trust individual
- 9                    claims review panel;
- 10       ~~[(12)]~~ (11) By the Hawaii health systems corporation, or its
- 11                    regional system boards, or any of their facilities;
- 12       ~~[(13)]~~ (12) By the auditor;
- 13       ~~[(14)]~~ (13) By the office of ombudsman;
- 14       ~~[(15)]~~ (14) By the insurance division;
- 15       ~~[(16)]~~ (15) By the University of Hawaii;
- 16       ~~[(17)]~~ (16) By the Kahoolawe island reserve commission;
- 17       ~~[(18)]~~ (17) By the division of consumer advocacy;
- 18       ~~[(19)]~~ (18) By the office of elections;
- 19       ~~[(20)]~~ (19) By the campaign spending commission;
- 20       ~~[(21)]~~ (20) By the Hawaii tourism authority, as provided in
- 21                    section 201B-2.5;



1       ~~[-(22)-]~~ (21) By the division of financial institutions for  
2                   any action involving the mortgage loan recovery fund;  
3                   or

4       ~~[-(23)-]~~ (22) By a department, in the event the attorney  
5                   general, for reasons deemed by the attorney general to  
6                   be good and sufficient, declines to employ or retain  
7                   an attorney for a department; provided that the  
8                   governor ~~[thereupon]~~ waives the provision of this  
9                   section."

10       SECTION 47. Section 167-19, Hawaii Revised Statutes, is  
11       amended by amending subsection (c) to read as follows:

12       "(c) All or any portion of the acreage assessments  
13       collected under this chapter, as determined by the board,  
14       exclusive of acreage assessments imposed on lands within an  
15       irrigation project financed through the issuance of revenue  
16       bonds, shall be deposited into the irrigation system revolving  
17       fund. Acreage assessments imposed on lands within an irrigation  
18       project financed through the issuance of revenue bonds shall be  
19       deposited into the ~~[irrigation water development special fund.]~~  
20       general fund."

21       SECTION 48. Section 167-22, Hawaii Revised Statutes, is  
22       amended by amending subsection (a) to read as follows:



1           "(a) There is established the irrigation system revolving  
2 fund, into which shall be deposited:

3           (1) All legislative appropriations to the irrigation  
4           system revolving fund; and

5           (2) All or any portion of the receipts and revenues  
6           collected under this chapter, as determined by the  
7           board of agriculture [~~exclusive of the receipts and~~  
8           ~~revenues deposited into the irrigation water~~  
9           ~~development special fund~~]."

10          SECTION 49. Section 321-355, Hawaii Revised Statutes, is  
11 amended by amending subsection (b) to read as follows:

12          "(b) The fund shall consist of grants and income earned by  
13 the special fund. [~~Notwithstanding section 29-24, all~~] All  
14 program income consisting of federal reimbursement funds  
15 received by the State for early intervention funded by  
16 legislative appropriations under this part shall be deposited  
17 into the special fund; provided that no state appropriations  
18 shall be deposited into the special fund."

19          SECTION 50. Section 321-356, Hawaii Revised Statutes, is  
20 amended by amending subsection (b) to read as follows:

21          "(b) The trust fund shall consist of government grants and  
22 private contributions including but not limited to gifts or



1 donations from corporations or other businesses, foundations,  
2 individuals, and other interested parties, and income earned by  
3 the trust fund. [~~Notwithstanding section 29-24, all~~] All  
4 program income consisting of federal reimbursement funds  
5 received by the State for early intervention funded by private  
6 donations and contributions under this part shall be deposited  
7 into the trust fund."

8 SECTION 51. Section 346-311, Hawaii Revised Statutes, is  
9 amended by amending the definition of "secondary discounted  
10 price" to read as follows:

11 ""Secondary discounted price" as it pertains to a drug  
12 means the initial discounted price less any further discounts  
13 [~~paid out of the Rx plus special fund~~]."

14 SECTION 52. Section 346-344, Hawaii Revised Statutes, is  
15 amended by amending subsections (a) and (b) to read as follows:

16 "(a) For persons meeting the eligibility requirements in  
17 section 346-343, the state pharmacy assistance program may pay  
18 all or some of the co-payments required under the federal  
19 medicare part D pharmacy benefit program, [~~subject to the~~  
20 ~~sufficiency of funds in the state pharmacy assistance program~~  
21 ~~special fund,~~] as determined by the department.



1 (b) The state pharmacy assistance program is the payor of  
2 last resort [~~subject to the sufficiency of funds in the state~~  
3 ~~pharmacy assistance program special fund~~], as determined by the  
4 department."

5 SECTION 53. Section 431:22-103, Hawaii Revised Statutes,  
6 is amended to read as follows:

7 "[+] §431:22-103 [+] Establishment of loss mitigation grant  
8 program. The commissioner shall develop and implement a pilot  
9 grant program to encourage the installation of wind resistive  
10 devices. The commissioner may spend up to \$6,000,000 [~~from the~~  
11 ~~loss mitigation grant fund~~] over three years for the grant  
12 program, which amounts shall include the costs of administering,  
13 operating, and marketing the grant program.

14 For the first year of the grant program, the commissioner  
15 may make grants only to former policyholders of the Hawaii  
16 hurricane relief fund. From the second year onward, the  
17 commissioner may also make grants to all single or multi-family  
18 residential owners, which may include owners of townhouse units  
19 or condominium apartments under section 431:22-104(c)(3)."

20 SECTION 54. Section 431P-16, Hawaii Revised Statutes, is  
21 amended by amending subsection (i) to read as follows:

22 "(i) Moneys in the hurricane reserve trust fund may be[+]



1        ~~(1)~~ ~~Disbursed]~~ disbursed upon dissolution of the Hawaii  
2        hurricane relief fund; provided that:

3        [~~A~~]    (1)    The net moneys in the hurricane reserve trust  
4        fund shall revert to the state general fund after  
5        payments by the fund on behalf of licensed property  
6        and casualty insurers or the State that are required  
7        to be made pursuant to any federal disaster insurance  
8        program enacted to provide insurance or reinsurance  
9        for hurricane risks are completed; and

10       [~~B~~]    (2)    If such moneys are paid on behalf of licensed  
11       property and casualty insurers, payment shall be made  
12       in proportion to the premiums from policies of  
13       hurricane property insurance serviced by the insurers  
14       in the twelve months prior to dissolution of the fund;  
15       [~~or~~

16       ~~(2)~~    ~~Deposited to the loss mitigation grant fund~~  
17       ~~established under section 431:22-102;~~

18       provided that all interest earned from the principal in the  
19       hurricane reserve trust fund shall be transferred and deposited  
20       into the general fund each year that the hurricane reserve trust  
21       fund remains in existence."





1 SECTION 55. Section 431P-16.5, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 " ~~[f] §431P-16.5 [f] Transfer of funds; immunity~~ Immunity.

4 There shall be no cause of action, claim for damages or relief,  
5 charge, or any other liability of any kind whatsoever created  
6 against the State, the Hawaii hurricane relief fund, the  
7 commissioner, or their respective agents, employees, or board,  
8 by, or relating to ~~[, the transfer of any moneys from the  
9 hurricane reserve trust fund to the loss mitigation grant fund  
10 or from the loss mitigation grant fund to the hurricane reserve  
11 trust fund or involving]~~ the loss mitigation grant program."

12 PART V

13 Other Repealed Funds

14 SECTION 56. Section 29-24, Hawaii Revised Statutes, is  
15 repealed.

16 "~~§29-24 Interagency federal revenue maximization  
17 revolving fund.~~ (a) ~~There is established in the state treasury  
18 an interagency federal revenue maximization revolving fund, into  
19 which shall be deposited all funds and proceeds collected from  
20 the federal government and third party payers for costs not  
21 previously claimed by the State, with the exception of proceeds  
22 collected for services provided by the Hawaii health systems~~



1 ~~corporation or its regional system boards, for reimbursement of~~  
2 ~~federally funded state programs. For purposes of this chapter,~~  
3 ~~federally funded state programs include but shall not be limited~~  
4 ~~to those federally funded programs within the departments of~~  
5 ~~human services and health, and shall not include the federally-~~  
6 ~~funded program within the department of education as provided in~~  
7 ~~section 302A-1406. Expenditures and transfers from the fund~~  
8 ~~shall be made by the comptroller in proportional allocations~~  
9 ~~established by the comptroller and the director of finance.~~  
10 ~~Transfers shall be made to the department claiming the~~  
11 ~~reimbursement for expenses incurred related to federal fund~~  
12 ~~reimbursement claims and to the general fund of the State.~~  
13 ~~Moneys in the fund may be expended for consultant services~~  
14 ~~rendered under subsection (b).~~

15 ~~(b) Notwithstanding any other law to the contrary, the~~  
16 ~~comptroller, by contract, may retain the services of certified~~  
17 ~~public accountants and other consultants to pursue and collect~~  
18 ~~federal fund reimbursements, and perform other duties necessary~~  
19 ~~to administer this section. At the option of the comptroller,~~  
20 ~~consultants retained by contract under this subsection may be~~  
21 ~~compensated on:~~

22 ~~(1) A fixed price basis;~~



- 1       ~~(2) An hourly rate basis with or without a fixed cap; or~~
- 2       ~~(3) Through a contingent fee arrangement specified in the~~
- 3               ~~contract.~~

4       ~~Such compensation shall be payable out of all sums the~~  
 5       ~~consultant recovers for the State.~~

6       ~~(c) No later than twenty days prior to the convening of~~  
 7       ~~each regular session of the legislature, the comptroller shall~~  
 8       ~~submit to the legislature a report including the following~~  
 9       ~~information:~~

- 10       ~~(1) Itemized amounts of all federal reimbursements;~~
- 11       ~~(2) Description and amounts of all expenses incurred by~~
- 12               ~~the fund;~~
- 13       ~~(3) Method of compensation and amounts of compensation for~~
- 14               ~~all certified public accountants and other consultants~~
- 15               ~~retained by the comptroller to pursue and collect~~
- 16               ~~federal fund reimbursements and perform other duties~~
- 17               ~~necessary to administer this section;~~
- 18       ~~(4) Method of determining allocation of funds;~~
- 19       ~~(5) Amounts allocated by the comptroller; and~~
- 20       ~~(6) Fund balances." ]~~

21       SECTION 57. Section 167-22.5, Hawaii Revised Statutes, is  
 22       repealed.



1           ~~["§167-22.5] Irrigation water development special fund.~~

2   ~~(a) There is established in the state treasury the irrigation~~  
3   ~~water development special fund, into which shall be deposited:~~

4           ~~(1) Appropriations by the legislature to the irrigation~~  
5           ~~water development special fund;~~

6           ~~(2) All receipts and revenues derived from irrigation~~  
7           ~~projects financed through the issuance of revenue~~  
8           ~~bonds;~~

9           ~~(3) All or any portion of the receipts and revenues~~  
10           ~~collected under this chapter, as determined by the~~  
11           ~~board, whether or not receipts or revenues are derived~~  
12           ~~from irrigation projects financed through the issuance~~  
13           ~~of revenue bonds; and~~

14           ~~(4) Interest earned or accrued on moneys in the irrigation~~  
15           ~~water development special fund.~~

16           ~~(b) Moneys in the irrigation water development special~~  
17   ~~fund shall be used by the board for the following purposes:~~

18           ~~(1) Planning, design, improvement, construction, land~~  
19           ~~acquisition, and equipment necessary for the~~  
20           ~~development, operation, or maintenance of an~~  
21           ~~irrigation project;~~



1       ~~(2) Payment of debt service on revenue bonds issued by the~~  
2       ~~department for irrigation project purposes, and the~~  
3       ~~establishment of debt service and other revenues~~  
4       ~~deemed necessary by the board;~~

5       ~~(3) Reimbursement of the general fund for debt service on~~  
6       ~~general obligation bonds issued to finance irrigation~~  
7       ~~projects where the bonds are designated to be~~  
8       ~~reimbursable out of the irrigation water development~~  
9       ~~special fund; and~~

10       ~~(4) Any other purpose deemed necessary by the board for~~  
11       ~~the purpose of planning, designing, improving,~~  
12       ~~constructing, developing, operating, and maintaining~~  
13       ~~irrigation projects." ]~~

14       SECTION 58. Section 167-24, Hawaii Revised Statutes, is  
15       repealed.

16       ~~["§167-24] Irrigation repair and maintenance special~~  
17       ~~fund. (a) There is established in the state treasury the~~  
18       ~~irrigation repair and maintenance special fund that shall be~~  
19       ~~administered by the board.~~

20       ~~(b) Moneys in the irrigation repair and maintenance~~  
21       ~~special fund shall be used to fund repair and maintenance of the~~  
22       ~~following irrigation systems:~~



- 1        ~~(1) East Kauai irrigation system;~~
- 2        ~~(2) Kekaha ditch;~~
- 3        ~~(3) Kokee ditch;~~
- 4        ~~(4) Maui Land/Pioneer Mill irrigation system;~~
- 5        ~~(5) Waiahole ditch;~~
- 6        ~~(6) Lower Hamakua irrigation system;~~
- 7        ~~(7) Molokai irrigation system;~~
- 8        ~~(8) Upcountry Maui irrigation system;~~
- 9        ~~(9) Waimanalo irrigation system;~~
- 10       ~~(10) Waimea irrigation system;~~
- 11       ~~(11) East Maui irrigation system;~~
- 12       ~~(12) Kauai coffee irrigation system;~~
- 13       ~~(13) West Maui irrigation system;~~
- 14       ~~(14) Kau irrigation system;~~
- 15       ~~(15) Honomalino irrigation system;~~
- 16       ~~(16) Wahiawa reservoir and ditch system; and~~
- 17       ~~(17) Other privately owned irrigation systems on former~~
- 18                ~~sugarcane and pineapple plantation lands that have~~
- 19                ~~been converted to diversified agriculture.~~
- 20        ~~(c) The irrigation repair and maintenance special fund~~
- 21        ~~shall be funded by legislative appropriations, including general~~
- 22        ~~obligation bond funds and federal funds.~~



1       ~~(d) Landowners may apply for funding assistance from the~~  
2 ~~irrigation repair and maintenance special fund; provided that~~  
3 ~~the landowner:~~

4       ~~(1) Provides matching funding equal to the amount received~~  
5 ~~from the irrigation repair and maintenance special~~  
6 ~~fund;~~

7       ~~(2) Agrees to file a petition for declaratory ruling~~  
8 ~~pursuant to section 205 45 designating a majority of~~  
9 ~~all land served by the water produced by the~~  
10 ~~irrigation system as important agricultural lands as~~  
11 ~~defined under section 205 42 and notifies the board~~  
12 ~~and county of the petition and designation for the~~  
13 ~~purpose of inclusion on maps; and~~

14       ~~(3) Agrees to use, or provide for the use of, all lands~~  
15 ~~owned or controlled by the landowner and served by the~~  
16 ~~water produced by the irrigation system for~~  
17 ~~agricultural production.~~

18       ~~The board shall develop processes, policies, standards, and~~  
19 ~~criteria for selecting the landowners that are to receive~~  
20 ~~funding and the amount of such funding. The board shall also~~  
21 ~~develop processes, policies, standards, and criteria for~~



1 ~~determining the amount of funding provided to irrigation systems~~  
2 ~~in subsection (b) owned by the State.~~

3 ~~(e) As used in this section:~~

4 ~~"Diversified agriculture" means agricultural operations~~  
5 ~~that produce diversified agricultural products, including~~  
6 ~~flowers, nursery products, vegetables, herbs, melons, seed~~  
7 ~~crops, macadamia nuts, aquaculture, coffee, milk, cattle, eggs,~~  
8 ~~hogs, and fruit.~~

9 ~~"Irrigation system" means the agricultural system of~~  
10 ~~intakes, diversions, wells, ditches, siphons, pipes, reservoirs,~~  
11 ~~and accessory facilities established to provide water for~~  
12 ~~agricultural production.~~

13 ~~"Landowner" means a private entity that:~~

14 ~~(1) Owns agricultural land, formerly used as a sugarcane~~  
15 ~~or pineapple plantation, that contains a privately-~~  
16 ~~owned irrigation system that is necessary for the~~  
17 ~~sustained production of diversified agriculture on the~~  
18 ~~land served by the irrigation system; or~~

19 ~~(2) Owns, or partially owns, an irrigation system listed~~  
20 ~~in subsection (b) (1) through (17)."]~~

21 SECTION 59. Section 346-318, Hawaii Revised Statutes, is  
22 repealed.





1           ~~["§346-318 Rx plus special fund. (a) There is~~  
2 ~~established within the state treasury, to be administered by the~~  
3 ~~department, the Rx plus special fund into which shall be~~  
4 ~~deposited:~~

- 5           ~~(1) All moneys received from manufacturers and labelers~~
- 6           ~~who pay rebates as provided in section 346-314;~~
- 7           ~~(2) Appropriations made by the legislature to the fund;~~
- 8           ~~and~~
- 9           ~~(3) Any other revenues designated for the fund.~~

10           ~~(b) Moneys in the Rx plus special fund shall be used for~~  
11 ~~the following purposes:~~

- 12           ~~(1) Reimbursement payments to participating pharmacies for~~
- 13           ~~discounts provided to program participants;~~
- 14           ~~(2) The cost of administering the Rx plus program,~~
- 15           ~~including salary and benefits of employees, computer~~
- 16           ~~costs, and contracted services as provided in section~~
- 17           ~~346-312; and~~
- 18           ~~(3) Any other purpose deemed necessary by the department~~
- 19           ~~for the purpose of operating and administering the Rx~~
- 20           ~~plus program.~~

21           ~~All interest on special fund balances shall accrue to the~~  
22 ~~special fund. Upon dissolution of the Rx plus special fund, any~~



1 ~~unencumbered moneys in the fund shall lapse to the credit of the~~  
2 ~~general fund."]~~

3 SECTION 60. Section 346-345, Hawaii Revised Statutes, is  
4 repealed.

5 [~~"[§346-345] Special fund. (a) There is established~~  
6 ~~within the state treasury to be administered by the department,~~  
7 ~~the state pharmacy assistance program special fund, into which~~  
8 ~~shall be deposited.~~

9 ~~(1) All moneys received from manufacturers that pay~~  
10 ~~rebates as provided in section 346-342(g);~~

11 ~~(2) Appropriations made by the legislature to the fund;~~  
12 ~~and~~

13 ~~(3) Any other revenues designated for the fund.~~

14 ~~(b) Moneys in the state pharmacy assistance program~~  
15 ~~special fund may be used for:~~

16 ~~(1) Reimbursement payments to participating pharmacies for~~  
17 ~~co-payments required under the federal medicare part D~~  
18 ~~pharmacy benefit program as provided to state pharmacy~~  
19 ~~assistance program participants;~~

20 ~~(2) The costs of administering the state pharmacy~~  
21 ~~assistance program, including salary and benefits of~~



1           ~~employees, computer costs, and contracted services as~~  
2           ~~provided in section 346-342(d); and~~  
3           ~~(3) Any other purpose deemed necessary by the department~~  
4           ~~for the purpose of operating and administering the~~  
5           ~~state pharmacy [assistance] program.~~

6           ~~All interest on special fund balances shall accrue to the~~  
7           ~~special fund. Upon dissolution of the state pharmacy assistance~~  
8           ~~program special fund, any unencumbered moneys in the fund shall~~  
9           ~~lapse to the general fund.~~

10           ~~(c) The department shall expend all revenues received from~~  
11           ~~rebates paid by pharmaceutical manufacturers pursuant to section~~  
12           ~~346-342(g) to pay for the benefits to enrollees in the state~~  
13           ~~pharmacy assistance program, the costs of administering the~~  
14           ~~program, and reimbursement of medicaid pharmaceutical costs." ]~~

15           SECTION 61. Section 346C-5, Hawaii Revised Statutes, is  
16           repealed.

17           ~~[" [§346C-5] Long term care benefits fund. (a) There is~~  
18           ~~established in the state treasury the long term care benefits~~  
19           ~~fund, into which shall be deposited moneys collected as long-~~  
20           ~~term care taxes. The department of budget and finance shall~~  
21           ~~deposit the moneys in federally insured financial institutions~~  
22           ~~in Hawaii to preserve the balance and ensure a reasonable return~~



1 ~~under prevailing interest rates. Investments of the moneys may~~  
2 ~~be made subject to the requirements of this chapter.~~

3 ~~(b) Expenditures from the fund shall be made solely for~~  
4 ~~the purpose of making benefit payments and the cost of~~  
5 ~~administration.~~

6 ~~(c) Notwithstanding any law to the contrary, moneys in the~~  
7 ~~fund shall not be transferred to another fund at any time nor~~  
8 ~~for any purpose.~~

9 ~~(d) Costs for the administration of the program shall be~~  
10 ~~paid from moneys in the long term care benefits fund as follows:~~

11 ~~(1) Up to four per cent of the total monthly deposit into~~  
12 ~~the fund to cover general administrative expenses; and~~

13 ~~(2) Up to four per cent of the total monthly amount of~~  
14 ~~claims paid out from the fund may be used to pay for~~  
15 ~~administrative expenses related to claims~~

16 ~~processing." ]~~

17 SECTION 62. Section 431:22-102, Hawaii Revised Statutes,  
18 is repealed.

19 ~~[ "§431:22-102 Loss mitigation grant fund. (a) There is~~  
20 ~~established a special fund to be designated as the loss~~  
21 ~~mitigation grant fund. Moneys transferred to the loss~~  
22 ~~mitigation grant fund may be expended by the commissioner to~~



1 ~~carry out the commissioner's duties and obligations under this~~  
2 ~~article. Disbursements from the loss mitigation grant fund~~  
3 ~~shall not be subject to chapter 42F or 91.~~

4 ~~(b) The loss mitigation grant fund may be used by the~~  
5 ~~commissioner to make loss mitigation grants authorized under~~  
6 ~~this article. The loss mitigation grant fund shall also be used~~  
7 ~~by the commissioner to pay for any administrative and~~  
8 ~~operational costs, including personnel costs and marketing~~  
9 ~~costs, associated with a loss mitigation grant program. Any law~~  
10 ~~to the contrary notwithstanding, the commissioner may use the~~  
11 ~~moneys in the loss mitigation grant fund to employ or retain, by~~  
12 ~~contract or otherwise, without regard to chapters 76 and 78,~~  
13 ~~necessary professional, expert, managerial, technical, and~~  
14 ~~support personnel to implement and carry out the purposes of~~  
15 ~~this article.~~

16 ~~(c) The commissioner shall prepare an annual report to the~~  
17 ~~director, governor, and the legislature on the use of the loss~~  
18 ~~mitigation grant fund. The report shall provide statistical~~  
19 ~~information on program participation. The report shall be~~  
20 ~~submitted to the legislature no later than twenty days prior to~~  
21 ~~the convening of each regular legislative session." ]~~



PART VI

General Provisions

SECTION 63. (a) On July 1, 2011, the director of finance shall transfer any unencumbered balances remaining, as of June 30, 2011, in the special funds that are repealed in part V of this Act to the credit of the general fund.

(b) The director of finance shall identify any special funds that are repealed in parts II and V of this Act that contain or receive deposits from any federal funding source and is authorized to transfer the portions of those balances consisting of federal funds into corresponding separate special accounts within the general fund to enable the continuation of the purposes funded by the federal funding sources.

SECTION 64. It is the intent of this Act not to jeopardize the receipt of any federal aid nor to impair the obligation of the State or any agency thereof to the holders of any bond issued by the State or by any such agency, and to the extent, and only to the extent, necessary to effectuate this intent, the governor may modify the strict provisions of this Act, but shall promptly report any such modification with reasons therefor to the legislature at its next session thereafter for review by the legislature.



1 SECTION 65. This Act does not affect rights and duties  
2 that matured, penalties that were incurred, and proceedings that  
3 were begun before its effective date.

4 SECTION 66. If any provision of this Act, or the  
5 application thereof to any person or circumstance is held  
6 invalid, the invalidity does not affect other provisions or  
7 applications of the Act, which can be given effect without the  
8 invalid provision or application, and to this end the provisions  
9 of this Act are severable.

10 SECTION 67. Statutory material to be repealed is bracketed  
11 and stricken. New statutory material is underscored.

12 SECTION 68. This Act shall take effect on July 1, 2050.



**Report Title:**

Certain Special Funds; Certain Revolving Funds; Repeal

**Description:**

Repeals certain special funds and transfers balances to the general fund. Converts certain revolving funds of the University of Hawaii into special funds. Effective 7/01/50.  
(SD1)

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

