

JAN 17 2014

A BILL FOR AN ACT

RELATING TO THE KEIKI, 'OPIO, AND KUPUNA TRUST FUND.

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

PART I

1
2 SECTION 1. The purpose of this part is to establish the
3 keiki, 'opio, and kupuna trust fund as a means to encourage
4 people to make strong financial investments while supporting
5 conservation, reforestation of Hawaii's native trees,
6 environmental stewardship, sustainable food and energy
7 production, and programs that support and benefit keiki and
8 kupuna. The fund will serve as a repository for federal and
9 state funds, as well as private contributions from corporations
10 and other businesses, foundations, individuals, and other
11 interested parties. The fund will be used to purchase
12 individual native or food-bearing trees that will be grown on
13 government-owned land. The legislature's intent is for the
14 native and food-bearing trees to be used for investment and
15 legacy purposes by the State of Hawaii, individual residents of
16 Hawaii, and other individuals and organizations who are
17 interested in financial health, conservation, reforestation,



1 environmental stewardship, sustainable food and energy
2 production, and the well-being of the State's keiki and kupuna.

3 SECTION 2. The Hawaii Revised Statutes is amended by
4 adding a new chapter to be appropriately designated and to read
5 as follows:

6 "CHAPTER A

7 KEIKI, 'OPIO, AND KUPUNA TRUST FUND

8 §A-1 Definitions. As used in this chapter:

9 "Board" means the keiki, 'opio, and kupuna trust fund
10 advisory board.

11 "Chairperson" means the chairperson of the board of land
12 and natural resources.

13 "Department" means the department of land and natural
14 resources.

15 "Trust fund" or "fund" means the keiki, 'opio, and kupuna
16 trust fund.

17 §A-2 Keiki, 'opio, and kupuna trust fund; established. (a)

18 There is established the keiki, 'opio, and kupuna trust fund as a
19 separate fund of a nonprofit entity having a board of directors
20 and qualifying under section 501(c)(3) of the Internal Revenue
21 Code into which moneys shall be deposited as provided under
22 subsection (e). The chairperson, with the concurrence of the



1 governor, shall select, in accordance with chapter 103D, the
2 entity based upon the proven record of accomplishment of the
3 entity in administering a similar trust fund.

4 (b) The purpose of the trust fund is to encourage people
5 to make strong financial investments while supporting
6 conservation efforts, the reforestation of Hawaii's native
7 trees, environmental stewardship, sustainable food and energy
8 production, and programs that support and benefit the State's
9 keiki and kupuna.

10 (c) Notwithstanding that the keiki, 'opio, and kupuna trust
11 fund is established within a private entity, the department of
12 budget and finance shall have oversight authority over the fund
13 and may make periodic financial audits of the fund; provided
14 that the director of finance may contract with a certified
15 public accountancy firm for this purpose. The chairperson, with
16 the concurrence of the governor, in their sole discretion may
17 rescind the selection of the entity. If the selection of the
18 entity is rescinded, moneys in the trust fund shall revert back
19 to the State and shall be deemed to be trust moneys.

20 (d) The keiki, 'opio, and kupuna trust fund may receive
21 appropriations, contributions, grants, endowments, or gifts in
22 cash or otherwise from any source, including the State,



1 corporations or other businesses, foundations, government,
2 individuals, and other interested parties.

3 (e) The assets of the keiki, 'opio, and kupuna trust fund
4 trust fund shall consist of:

5 (1) Moneys appropriated to the keiki, 'opio, and kupuna
6 trust fund by the state, county, or federal
7 government;

8 (2) Private contributions of cash or property;

9 (3) Income and capital gains earned by the trust fund; and

10 (4) Funds collected and deposited pursuant to section B-3.

11 (f) The aggregate principal sum deposited in the keiki,
12 'opio, and kupuna trust fund shall be invested by the entity
13 selected under subsection (a) in a manner intended to maximize
14 the rate of return on investment of the trust fund consistent
15 with the objective of preserving the trust fund's principal.

16 (g) If the entity selected under subsection (a) is
17 dissolved, the chairperson, with the concurrence of the
18 governor, shall select a successor entity. If the keiki, 'opio,
19 and kupuna trust fund is terminated, the moneys remaining in the
20 trust fund shall revert back to the State and shall be deemed to
21 be trust moneys.



1 (h) The administration of the keiki, 'opio, and kupuna
2 trust fund shall be advised by the keiki, 'opio, and kupuna trust
3 fund advisory board.

4 **§A-3 Keiki, 'opio, and kupuna trust fund advisory board.**

5 (a) There is established a keiki, 'opio, and kupuna trust fund
6 advisory board under the department for administrative purposes.

7 (b) The board shall consist of seven members, who shall be
8 appointed in the manner and serve for the term set forth in
9 section 26-34, as follows:

10 (1) One member of the governor's staff, appointed by the
11 governor;

12 (2) One member to be appointed by the governor from a list
13 of two names submitted by the president of the senate;

14 (3) One member to be appointed by the governor from a list
15 of two names submitted by the speaker of the house of
16 representatives;

17 (4) The chairperson or the chairperson's designee;

18 (5) One member representing a service organization
19 organized in the State for at least five years,
20 appointed by the governor;



1 (6) One member who is a reputable arborist or other
2 professional educated and experienced in the growth
3 and care of trees, appointed by the chairperson; and

4 (7) One member who is experienced in forest finance or
5 managing a trust fund, appointed by the chairperson.

6 (c) The keiki, 'opio, and kupuna trust fund advisory board,
7 in collaboration with the department, shall develop policy,
8 planning, and strategy for the fund; publicize the fund; and
9 solicit public and private moneys for the fund.

10 (d) The keiki, 'opio, and kupuna trust fund advisory board
11 shall make the final recommendations to the entity selected
12 under section A-2(a) for the expenditure of funds.

13 (e) Funds within the keiki, opio, and kupuna trust fund
14 shall only be used to administer and support the eco-tourism
15 program under chapter B, except that ten years after the
16 establishment of the keiki, opio, and kupuna trust fund, the
17 interest earned on the trust corpus shall be used by the State
18 for the following purposes:

19 (1) Educational programs that support and benefit the
20 State's children and youth; and

21 (2) Caregiving services and programs that support and
22 benefit the State's elderly population.



1 and residents of Hawaii to contribute toward planting native or
2 food-bearing trees in designated areas throughout the State.

3 **§B-3 Planting and selling of native and food-bearing**
4 **trees; cost.** (a) When a person participates in the eco-tourism
5 program by purchasing a native or food-bearing tree to be
6 planted, the tree shall be planted on government-owned land.
7 The purchase price of each tree purchased through the eco-
8 tourism program shall be the reasonable costs associated with
9 planting and caring for a tree on government-owned land plus an
10 additional \$20.

11 (b) Funds collected shall be deposited into the keiki,
12 'opio, and kupuna trust fund established in section A-2.

13 (c) Any tree planted through the eco-tourism program shall
14 be cared for in perpetuity as a legacy tree by funds from the
15 keiki, 'opio, and kupuna trust fund.

16 (d) A person or business who purchases a tree through the
17 eco-tourism program can dedicate that tree to any person. A
18 certificate may be issued in this person's name.

19 (e) The department shall be responsible for designating
20 lands for the trees to be planted and selecting the species of
21 native or food-bearing tree to be planted."

22 **PART III**



1 SECTION 4. In codifying the new sections added by sections
2 2 and 3 of this Act, the revisor of statutes shall substitute
3 appropriate section and chapter numbers for the letters used in
4 designating the new sections and chapters in this Act.

5 SECTION 5. This Act shall take effect upon its approval.
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Report Title:

Keiki, 'Opio, and Kupuna Trust Fund; Department of Land and Natural Resources; Food-bearing Trees; Native Trees; Keiki Caucus; Kupuna Caucus

Description:

Establishes a program for individuals to purchase native or food-bearing trees to be planted on government-owned lands. Establishes the keiki, 'opio, and kupuna trust fund to collect funds received by the program and to support the program. After ten years, requires the annual interest earned on the trust corpus to be used for programs supporting children, youth, and the elderly.

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