

STAND. COM. REP. NO. **3250**

Honolulu, Hawaii

RE: APR 03 2014  
H.B. No. 2427  
H.D. 1  
S.D. 1

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 2427, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE REPEAL OF NON-GENERAL FUNDS,"

begs leave to report as follows:

The purpose and intent of this measure is to repeal the following unused or inactive non-general funds:

- (1) Animal quarantine special fund;
- (2) Donations for voter registration drive trust account;
- (3) Hawaii FYI - ICSD trust account;
- (4) Parking control revolving fund escrow account;
- (5) Returned ACH tax refunds trust account;
- (6) HDOA biocontrol foreign exploration special fund; and
- (7) Hawaii EUTF self-directed investments trust account.

For purposes of a public hearing, your Committee circulated a proposed S.D. 1 (Proposed Draft) of the measure, and notified the public that your Committee would be accepting testimony on the Proposed Draft, which deletes the language repealing the animal

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quarantine special fund and inserts language to repeal the following unused or inactive non-general funds:

- (1) Captain Cook memorial fund;
- (2) Seal of quality special fund;
- (3) Infrastructure development fund;
- (4) Statewide geospatial information and data integration special fund;
- (5) Food distribution program revolving fund;
- (6) Seed distribution program revolving fund;
- (7) Center for Labor Education and Research revolving fund;
- (8) Career and technical training projects revolving fund for the University of Hawaii at Hilo;
- (9) University of Hawaii alumni special fund;
- (10) Animal research farm, Waialeale, Oahu special fund;
- (11) Office of Health Care Assurance special fund;
- (12) Public health nursing services special fund;
- (13) Hawaii organ and tissue education special fund;
- (14) Blind shop revolving and handicraft fund;
- (15) Trust fund for the State Certified Motor Vehicle Arbitration Program; and
- (16) An account controlled by the State Commission on Fatherhood.

The Proposed Draft also transfers the balance of the fee simple residential revolving fund into the general fund.

Testimony in opposition to the H.D. 1 was received from Legacy of Life Hawaii. The Department of Taxation submitted comments on the H.D. 1.



Your Committee received testimony in support of the Proposed Draft from the Department of Accounting and General Services, Department of Land and Natural Resources, and Office of the Auditor. Testimony in opposition was received from the Department of Commerce and Consumer Affairs, Department of Health, Hawaii Cattlemen's Council, Legacy of Life Hawaii, and one individual. The Department of Agriculture, Department of Education, Department of Taxation, Hawaii Housing Finance and Development Corporation, and University of Hawaii submitted comments on the Proposed Draft.

Your Committee finds that this measure is intended to repeal non-general funds that have very low balances or have had no activity in recent years. However, your Committee has received testimony indicating that the seal of quality special fund, seed distribution program revolving fund, Office of Health Care Assurance special fund, Hawaii organ and tissue education special fund, and trust fund for the State Certified Motor Vehicle Arbitration Program are still active and continue to serve the purpose for which they were established.

Your Committee has amended this measure by adopting the Proposed Draft with the following further amendments:

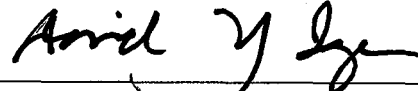
- (1) Deleting the language to repeal the following funds:
  - (A) Seal of quality special fund;
  - (B) Seed distribution program revolving fund;
  - (C) Office of Health Care Assurance special fund;
  - (D) Hawaii organ and tissue education special fund; and
  - (E) Trust fund for the State Certified Motor Vehicle Arbitration Program; and
- (2) Making technical nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2427, H.D. 1, as amended herein, and recommends that it pass



Second Reading in the form attached hereto as H.B. No. 2427,  
H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,



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DAVID Y. IGE, Chair



The Senate  
Twenty-Seventh Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:* <b>HB 2427, HD 1</b>	Committee Referral: <b>WAM</b>	Date: <b>3-28-14</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne				✓
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani	✓			
ESPERO, Will	✓			
KAHELE, Gilbert	✓			
KEITH-AGARAN, Gilbert S.C.	✓			
KOUCHI, Ronald D.	✓			
RUDERMAN, Russell E.	✓			
THIELEN, Laura H.	✓			
TOKUDA, Jill N.	✓			
SLOM, Sam	✓			
	12	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Michelle N. Kidani</i>				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes