
A BILL FOR AN ACT

RELATING TO ESTABLISHING THE EXECUTIVE OFFICE ON AGING
ADMINISTRATIVE CLAIMING SPECIAL FUND.

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

1 SECTION 1. Federal financial participation under Medicaid
2 is a percentage of state expenditures that can be reimbursed by
3 the federal government to pay for administrative and program
4 costs of state agencies or other entities that provide long-term
5 services and supports to Medicaid clients. In Hawaii, the
6 executive office on aging and the aging and disability resource
7 centers are eligible for federal financial participation because
8 they spend money on administrative functions to provide long-
9 term services and supports to Medicaid clients. If the
10 executive office on aging and the aging and disability resource
11 centers were to receive their share of federal financial
12 participation for administrative costs, they would be able to
13 expand their programs and services and serve more individuals.
14 Furthermore, if federal financial participation could be
15 directly deposited into a special fund established in the
16 executive office on aging, funds could be easily distributed to



1 the aging and disability resource centers to support the work
2 they were established to perform pursuant to section 349-32,
3 Hawaii Revised Statutes.

4 The State is currently not receiving federal funds it is
5 eligible to receive. It is estimated that the annual federal
6 financial participation claims for the executive office on aging
7 and the four aging and disability resource centers would equal
8 \$1,283,000 in state fiscal year 2018-2019, \$1,443,000 in state
9 fiscal year 2019-2020, \$1,686,000 in state fiscal year 2020-
10 2021, \$1,887,000 in state fiscal year 2021-2022, and \$2,036,000
11 in state fiscal year 2022-2023. According to the Administration
12 for Community Living of the United States Department of Health
13 and Human Services, most states claim between \$500,000 to
14 \$2,000,000 per year.

15 The purpose of this Act is to establish the executive
16 office on aging administrative claiming special fund to enhance
17 the drawdown of anticipated federal funds and provide additional
18 moneys to support services for kupuna and individuals with
19 disabilities who need long-term services and supports.



1 SECTION 2. Chapter 349, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§349- Executive office on aging administrative claiming
5 special fund. (a) There is established in the state treasury
6 the executive office on aging administrative claiming special
7 fund. The fund shall be administered and expended by the
8 department of health. The fund shall consist of:

9 (1) All revenues from medicaid administrative claiming
10 designated for the department of health that are
11 allowable for operating the aging and disabilities
12 resource centers;

13 (2) Appropriations made by the legislature to the fund;
14 and

15 (3) Grants and gifts made to the fund.

16 (b) Moneys in the executive office on aging administrative
17 claiming special fund shall be used by the department of health
18 to implement section 349-32 for services for kupuna and
19 individuals with disabilities who need long-term services and
20 supports."



1 SECTION 3. Section 36-27, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) Except as provided in this section, and
4 notwithstanding any other law to the contrary, from time to
5 time, the director of finance, for the purpose of defraying the
6 prorated estimate of central service expenses of government in
7 relation to all special funds, except the:

- 8 (1) Special out-of-school time instructional program fund
9 under section 302A-1310;
- 10 (2) School cafeteria special funds of the department of
11 education;
- 12 (3) Special funds of the University of Hawaii;
- 13 (4) State educational facilities improvement special fund;
- 14 (5) Convention center enterprise special fund under
15 section 201B-8;
- 16 (6) Special funds established by section 206E-6;
- 17 (7) Aloha Tower fund created by section 206J-17;
- 18 (8) Funds of the employees' retirement system created by
19 section 88-109;
- 20 (9) Hawaii hurricane relief fund established under chapter
21 431P;



- 1 (10) Hawaii health systems corporation special funds and
- 2 the subaccounts of its regional system boards;
- 3 (11) Tourism special fund established under section 201B-
- 4 11;
- 5 (12) Universal service fund established under section 269-
- 6 42;
- 7 (13) Emergency and budget reserve fund under section 328L-
- 8 3;
- 9 (14) Public schools special fees and charges fund under
- 10 section 302A-1130;
- 11 (15) Sport fish special fund under section 187A-9.5;
- 12 [+] (16) [+] Neurotrauma special fund under section 321H-4;
- 13 [+] (17) [+] Glass advance disposal fee established by section
- 14 342G-82;
- 15 [+] (18) [+] Center for nursing special fund under section
- 16 304A-2163;
- 17 [+] (19) [+] Passenger facility charge special fund
- 18 established by section 261-5.5;
- 19 [+] (20) [+] Solicitation of funds for charitable purposes
- 20 special fund established by section 467B-15;



- 1 [+] (21) [+] Land conservation fund established by section
- 2 173A-5;
- 3 [+] (22) [+] Court interpreting services revolving fund under
- 4 section 607-1.5;
- 5 [+] (23) [+] Trauma \ system special fund under section 321-
- 6 22.5;
- 7 [+] (24) [+] Hawaii cancer research special fund;
- 8 [+] (25) [+] Community health centers special fund;
- 9 [+] (26) [+] Emergency medical services special fund;
- 10 [+] (27) [+] Rental motor vehicle customer facility charge
- 11 special fund established under section 261-5.6;
- 12 [+] (28) [+] Shared services technology special fund under
- 13 section 27-43;
- 14 [+] (29) [+] Automated victim information and notification
- 15 system special fund established under section 353-136;
- 16 [+] (30) [+] Deposit beverage container deposit special fund
- 17 under section 342G-104;
- 18 [+] (31) [+] Hospital sustainability program special fund
- 19 under [+] section 346G-4 [+] ;
- 20 [+] (32) [+] Nursing facility sustainability program special
- 21 fund under [+] section 346F-4 [+] ;



1 [+] (33) [+] Hawaii 3R's school improvement fund under section
2 302A-1502.4;

3 [+] (34) [+] After-school plus program revolving fund under
4 section 302A-1149.5; [and]

5 [+] (35) [+] Civil monetary penalty special fund under section
6 321-30.2 [7] ; and

7 (36) Executive office on aging administrative claiming
8 special fund under section 349- ,

9 shall deduct five per cent of all receipts of all other special
10 funds, which deduction shall be transferred to the general fund
11 of the State and become general realizations of the State. All
12 officers of the State and other persons having power to allocate
13 or disburse any special funds shall cooperate with the director
14 in effecting these transfers. To determine the proper revenue
15 base upon which the central service assessment is to be
16 calculated, the director shall adopt rules pursuant to chapter
17 91 for the purpose of suspending or limiting the application of
18 the central service assessment of any fund. No later than
19 twenty days prior to the convening of each regular session of
20 the legislature, the director shall report all central service
21 assessments made during the preceding fiscal year."



1 SECTION 4. Section 36-30, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

- 3 "(a) Each special fund, except the:
- 4 (1) Special out-of-school time instructional program fund
5 under section 302A-1310;
 - 6 (2) School cafeteria special funds of the department of
7 education;
 - 8 (3) Special funds of the University of Hawaii;
 - 9 (4) State educational facilities improvement special fund;
 - 10 (5) Special funds established by section 206E-6;
 - 11 (6) Aloha Tower fund created by section 206J-17;
 - 12 (7) Funds of the employees' retirement system created by
13 section 88-109;
 - 14 (8) Hawaii hurricane relief fund established under chapter
15 431P;
 - 16 (9) Convention center enterprise special fund established
17 under section 201B-8;
 - 18 (10) Hawaii health systems corporation special funds and
19 the subaccounts of its regional system boards;
 - 20 (11) Tourism special fund established under section 201B-
21 11;



- 1 (12) Universal service fund established under section 269-
- 2 42;
- 3 (13) Emergency and budget reserve fund under section 328L-
- 4 3;
- 5 (14) Public schools special fees and charges fund under
- 6 section 302A-1130;
- 7 (15) Sport fish special fund under section 187A-9.5;
- 8 [+] (16) [+] Neurotrauma special fund under section 321H-4;
- 9 [+] (17) [+] Center for nursing special fund under section
- 10 304A-2163;
- 11 [+] (18) [+] Passenger facility charge special fund
- 12 established by section 261-5.5;
- 13 [+] (19) [+] Court interpreting services revolving fund under
- 14 section 607-1.5;
- 15 [+] (20) [+] Trauma system special fund under section 321-
- 16 22.5;
- 17 [+] (21) [+] Hawaii cancer research special fund;
- 18 [+] (22) [+] Community health centers special fund;
- 19 [+] (23) [+] Emergency medical services special fund;
- 20 [+] (24) [+] Rental motor vehicle customer facility charge
- 21 special fund established under section 261-5.6;



1 [+] (25) [+] Shared services technology special fund under
2 section 27-43;

3 [+] (26) [+] Nursing facility sustainability program special
4 fund established pursuant to [+]section 346F-4[+];

5 [+] (27) [+] Automated victim information and notification
6 system special fund established under section 353-136;

7 [+] (28) [+] Hospital sustainability program special fund
8 under [+]section 346G-4[+]; [and]

9 [+] (29) [+] Civil monetary penalty special fund under section
10 321-30.2[7]; and

11 (30) Executive office on aging administrative claiming
12 special fund under section 349- ,

13 shall be responsible for its pro rata share of the
14 administrative expenses incurred by the department responsible
15 for the operations supported by the special fund concerned."

16 SECTION 5. There is appropriated out of the executive
17 office on aging administrative claiming special fund the sum of
18 \$ or so much thereof as may be necessary for fiscal year
19 2019-2020 for services for kupuna and individuals with
20 disabilities who need long-term services and supports.



1 The sum appropriated shall be expended by the department of
2 health for the purposes of this Act.

3 SECTION 6. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 7. This Act shall take effect on January 1, 2059.



Report Title:

Executive Office on Aging; Special Fund; Medicaid

Description:

Creates the Executive Office on Aging Administrative Claiming Special Fund to enhance the drawdown of federal funds. (HB1012 HD1)

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

