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# A BILL FOR AN ACT

RELATING TO NON-GENERAL FUNDS.

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

1 SECTION 1. The purpose and intent of this Act is to repeal  
2 or reclassify certain non-general funds and accounts of the  
3 department of transportation pursuant to the recommendations or  
4 commentary by the auditor in auditor's report no. 19-05 and the  
5 accompanying summary and to transfer the unencumbered balances  
6 to the general fund.

7 PART I

8 SECTION 2. The purpose and intent of this part is to  
9 reclassify certain revolving funds of the department of  
10 transportation airports division.

11 SECTION 3. The following revolving funds are reclassified  
12 as trust accounts:

- 13 (1) The airport sinking fund for retire term bond  
14 revolving fund administratively created in 1969;  
15 (2) The airport system debt service reserve account  
16 revolving fund administratively created in 1969;



- 1           (3) The airport system interest account revolving fund
- 2                   administratively created in 1969;
- 3           (4) The airport system major maintenance, renewal, and
- 4                   replacement account revolving fund administratively
- 5                   created in 1969;
- 6           (5) The airport system serial bond principal account
- 7                   revolving fund administratively created in 1969;
- 8           (6) The debt service funded coverage revolving fund
- 9                   administratively created in 1994;
- 10          (7) The reserve for airline rate mitigation revolving fund
- 11                   administratively created in 1994; and
- 12          (8) The reserve for operating and maintenance expenses
- 13                   revolving fund administratively created in 1994.

PART II

15           SECTION 4. The purpose and intent of this part is to  
16 reclassify, repeal, or abolish certain non-general funds of the  
17 department of transportation harbors division.

18           SECTION 5. Section 36-27, Hawaii Revised Statutes, is  
19 amended by amending subsection (a) to read as follows:



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

6           (1) Special out-of-school time instructional program fund  
7           under section 302A-1310;

8           (2) School cafeteria special funds of the department of  
9           education;

10          (3) Special funds of the University of Hawaii;

11          (4) State educational facilities improvement special fund;

12          (5) Convention center enterprise special fund under  
13          section 201B-8;

14          (6) Special funds established by section 206E-6;

15          ~~+(7) Aloha Tower fund created by section 206J-17;~~

16          ~~+(8)]~~ (7) Funds of the employees' retirement system created  
17          by section 88-109;

18          ~~+(9)]~~ (8) Hawaii hurricane relief fund established under  
19          chapter 431P;



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



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



1     ~~[(32)]~~ (31) Nursing facility sustainability program special  
2             fund under ~~[+]~~section 346F-4~~[+]~~;

3     ~~[(33)]~~ (32) Hawaii 3R's school improvement fund under section  
4             302A-1502.4;

5     ~~[(34)]~~ (33) After-school plus program revolving fund under  
6             section 302A-1149.5; and

7     ~~[(35)]~~ (34) Civil monetary penalty special fund under section  
8             321-30.2,

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



1 the legislature, the director shall report all central service  
2 assessments made during the preceding fiscal year."

3 SECTION 6. Section 36-30, Hawaii Revised Statutes, is  
4 amended by amending subsection (a) to read as follows:

5 "(a) Each special fund, except the:

6 (1) Special out-of-school time instructional program fund  
7 under section 302A-1310;

8 (2) School cafeteria special funds of the department of  
9 education;

10 (3) Special funds of the University of Hawaii;

11 (4) State educational facilities improvement special fund;

12 (5) Special funds established by section 206E-6;

13 [~~6~~] ~~Aloha Tower fund created by section 206J-17;~~

14 ~~7~~] (6) Funds of the employees' retirement system created  
15 by section 88-109;

16 [~~8~~] (7) Hawaii hurricane relief fund established under  
17 chapter 431P;

18 [~~9~~] (8) Convention center enterprise special fund  
19 established under section 201B-8;



1       ~~[(10)]~~ (9) Hawaii health systems corporation special funds  
2                   and the subaccounts of its regional system boards;  
3       ~~[(11)]~~ (10) Tourism special fund established under section  
4                   201B-11;  
5       ~~[(12)]~~ (11) Universal service fund established under section  
6                   269-42;  
7       ~~[(13)]~~ (12) Emergency and budget reserve fund under section  
8                   328L-3;  
9       ~~[(14)]~~ (13) Public schools special fees and charges fund  
10                  under section 302A-1130;  
11       ~~[(15)]~~ (14) Sport fish special fund under section 187A-9.5;  
12       ~~[(16)]~~ (15) Neurotrauma special fund under section 321H-4;  
13       ~~[(17)]~~ (16) Center for nursing special fund under section  
14                  304A-2163;  
15       ~~[(18)]~~ (17) Passenger facility charge special fund  
16                  established by section 261-5.5;  
17       ~~[(19)]~~ (18) Court interpreting services revolving fund under  
18                  section 607-1.5;  
19       ~~[(20)]~~ (19) Trauma system special fund under section 321-  
20                  22.5;





1     ~~[(21)]~~ (20) Hawaii cancer research special fund;  
2     ~~[(22)]~~ (21) Community health centers special fund;  
3     ~~[(23)]~~ (22) Emergency medical services special fund;  
4     ~~[(24)]~~ (23) Rental motor vehicle customer facility charge  
5             special fund established under section 261-5.6;  
6     ~~[(25)]~~ (24) Shared services technology special fund under  
7             section 27-43;  
8     ~~[(26)]~~ (25) Nursing facility sustainability program special  
9             fund established pursuant to ~~[+]~~section 346F-4~~[+]~~;  
10    ~~[(27)]~~ (26) Automated victim information and notification  
11            system special fund established under section 353-136;  
12    ~~[(28)]~~ (27) Hospital sustainability program special fund  
13            under ~~[+]~~section 346G-4~~[+]~~; and  
14    ~~[(29)]~~ (28) Civil monetary penalty special fund under section  
15            321-30.2,  
16 shall be responsible for its pro rata share of the  
17 administrative expenses incurred by the department responsible  
18 for the operations supported by the special fund concerned."

19           SECTION 7. Section 206J-17, Hawaii Revised Statutes, is  
20 repealed.



1           ~~["§206J-17 Aloha Tower fund. (a) There is created the~~  
2 ~~Aloha Tower fund. All moneys, rentals, charges, other revenues~~  
3 ~~of the development corporation, and moneys or charges received~~  
4 ~~by the department of transportation, including reimbursements~~  
5 ~~for costs and staff services as a result of planning,~~  
6 ~~development, or redevelopment of the lands located seaward of~~  
7 ~~Nimitz Highway between Pier 4 and Pier 11 shall be deposited~~  
8 ~~into the fund.~~

9           ~~(b) The development corporation may establish a separate~~  
10 ~~account with respect to each issue of bonds issued under this~~  
11 ~~chapter and direct that the moneys, rentals, charges, and other~~  
12 ~~revenues pledged to the payment of the bond issue be credited to~~  
13 ~~that account and, as permitted by section 206J 12(g)(7),~~  
14 ~~designate a trustee to receive and receipt for, hold, and~~  
15 ~~administer the moneys in the account. Moneys credited to a~~  
16 ~~separate account held by a trustee may be paid directly to the~~  
17 ~~trustee; provided that appropriate entries are made for purposes~~  
18 ~~of accounting.~~

19           ~~(c) The moneys on deposit in the fund shall be used for~~  
20 ~~the purposes of this chapter, lease payments to the department~~



1 ~~of transportation, and for the development, redevelopment, or~~  
2 ~~improvement of the Honolulu Waterfront located seaward of Nimitz~~  
3 ~~Highway between Pier 4 and Pier 11." ]~~

4 SECTION 8. The following revolving funds are reclassified  
5 as trust accounts:

- 6 (1) The 1997 certificate - harbor interest account  
7 revolving fund administratively created in 1997;
- 8 (2) The 1997 certificate - harbor principal account  
9 revolving fund administratively created in 1997;
- 10 (3) The 7th supplemental certificate 2010A debt service  
11 reserve fund principal revolving fund administratively  
12 created in 2010; and
- 13 (4) The harbor extraordinary renewal/replacement reserve  
14 account revolving fund administratively created in  
15 1997.

16 SECTION 9. The risk management fire and casualty losses -  
17 harbors trust fund administratively created in 2006 is abolished  
18 and any remaining unencumbered balances shall lapse to the  
19 credit of the general fund.



1 SECTION 10. All unencumbered balances remaining in the  
2 Aloha tower fund repealed by this part shall lapse to the credit  
3 of the general fund.

4 PART III

5 SECTION 11. The purpose and intent of this part is to  
6 reclassify, repeal, or abolish certain non-general funds of the  
7 department of transportation highways division.

8 SECTION 12. Section 264-16, Hawaii Revised Statutes, is  
9 amended to read as follows:

10 "[+]§264-16[+] **State highway clearing accounts.** The  
11 director of transportation may with the prior approval of the  
12 director of finance and comptroller establish the state highway  
13 payroll clearing account, employee benefits clearing account,  
14 construction administration clearing trust account, and any  
15 other necessary clearing account or clearing trust account to  
16 effectively account for program costs and appropriations.

17 The director of transportation may, from time to time, make  
18 advances to the clearing accounts or clearing trust accounts  
19 from the state highway fund or from any moneys appropriated or  
20 otherwise made available to the department. The advances shall



1 be in such amounts as may be required to meet the obligations of  
2 the department which are authorized by the legislature.

3 As soon as practicable after an expenditure from a clearing  
4 account~~[7]~~ or clearing trust account, a determination shall be  
5 made of the proper fund or appropriation to which the  
6 expenditure should be charged. The fund or account from which  
7 funds are advanced shall thereupon be reimbursed out of the  
8 proper fund or appropriation."

9 SECTION 13. Section 264-19, Hawaii Revised Statutes, is  
10 repealed.

11 [~~"[§264-19] Transportation improvement special fund. (a)~~  
12 ~~There is created within the state treasury the transportation~~  
13 ~~improvement special fund to fund qualified transportation~~  
14 ~~projects and to receive reimbursements from private developers~~  
15 ~~who have been advanced public funds to fulfill the conditions of~~  
16 ~~land use development relating to transportation.~~

17 ~~The director may expend from the special fund such sums as~~  
18 ~~are necessary to advance transportation projects, including~~  
19 ~~administrative expenses, to the extent permissible:~~

20 (1) ~~When such projects:~~



1           ~~(A) Have been identified in or are consistent with~~  
2           ~~the statewide transportation plan adopted~~  
3           ~~pursuant to chapter 279A; and~~

4           ~~(B) Satisfy all applicable federal and state~~  
5           ~~eligibility requirements; or~~

6           ~~(2) When the director determines that funds previously~~  
7           ~~authorized for the aforementioned projects are~~  
8           ~~inadequate or any delay in the completion of such~~  
9           ~~projects would unnecessarily increase their cost or~~  
10           ~~intensify undesirable transportation conditions.~~

11           ~~(b) Expenditures from the special fund shall be made on~~  
12           ~~vouchers approved by the director or such other officer as may~~  
13           ~~be designated by the director.~~

14           ~~(c) There shall be credited to the special fund all~~  
15           ~~reimbursements and any interest earned or penalty accrued on~~  
16           ~~late payments thereon received from developers who have been~~  
17           ~~advanced public funds to fulfill the conditions of land use~~  
18           ~~development relating to transportation or other transportation~~  
19           ~~requirements imposed upon such developers.~~



1       ~~(d) Expenditures from the special fund may not be made by~~  
2 ~~the director without appropriation by the legislature. No~~  
3 ~~expenditure shall be made from, and no obligation shall be~~  
4 ~~incurred against, the special fund in excess of the amount~~  
5 ~~standing to the credit of the special fund or for any purpose~~  
6 ~~for which moneys from the special fund may not lawfully be~~  
7 ~~expended.~~

8       ~~(e) The department of transportation shall prepare and~~  
9 ~~submit an annual report to the legislature on the use of the~~  
10 ~~transportation improvement special fund which shall include, but~~  
11 ~~not be limited to:~~

12       ~~(1) The [special] fund balance and the expenses made from~~  
13       ~~the [special] fund for the immediately preceding~~  
14       ~~fiscal year; and~~

15       ~~(2) Proposed appropriations from the [special] fund for~~  
16       ~~the next fiscal year.~~

17       ~~This report shall be submitted to the legislature no later~~  
18 ~~than twenty days prior to the convening of each legislative~~  
19 ~~session.~~



1       ~~(f) The director may adopt rules pursuant to chapter 91~~  
2 ~~necessary to effectuate the purposes of, and to administer, this~~  
3 ~~section.~~

4       ~~(g) As used in this section:~~

5       ~~"Director" means the director of transportation.~~

6       ~~"Special fund" means the transportation improvement special~~  
7 ~~fund." ]~~

8       SECTION 14. The following revolving funds are reclassified  
9 as trust accounts:

10       (1) The highway senior interest account revolving fund  
11             administratively created in 1994;

12       (2) The highway senior principal account revolving fund  
13             administratively created in 1994; and

14       (3) The highways accrued payroll overhead revolving fund  
15             administratively created in 1983.

16       SECTION 15. The special deposits - highways trust account  
17 administratively created in 1979 is reclassified as a trust  
18 fund.

19       SECTION 16. The highway senior debt service reserve  
20 account revolving fund administratively created in 1994 is





1 abolished and any remaining unencumbered balances shall lapse to  
2 the credit of the general fund.

3 SECTION 17. All unencumbered balances remaining in the  
4 transportation improvement special fund repealed by this part  
5 shall lapse to the credit of the general fund.

6 PART IV

7 SECTION 18. The purpose of this part is to repeal the safe  
8 routes to school program special fund.

9 SECTION 19. Section 291-16, Hawaii Revised Statutes, is  
10 amended to read as follows:

11 "[~~+~~]**§291-16**[~~+~~] **Safe routes to school program surcharge.**

12 [~~(a)~~] In addition to any other civil penalties ordered by the  
13 court, a person who violates any provision under this part shall  
14 be ordered to pay a safe routes to school program surcharge of  
15 \$10.

16 [~~(b)~~] The person shall pay the surcharge to the clerk of  
17 the court. [~~The surcharge shall be deposited with the director~~  
18 ~~of finance who shall credit the surcharge to the safe routes to~~  
19 ~~school program special fund established under section 291C 4.~~]"



1 SECTION 20. Section 291C-3, Hawaii Revised Statutes, is  
2 amended by amending subsection (d) to read as follows:

3 "(d) The director of transportation, through the safe  
4 routes to school program coordinator and in consultation with  
5 county safe routes to school program coordinators, shall develop  
6 a mechanism to provide funds to county safe routes to school  
7 programs from [~~the safe routes to school program special fund~~  
8 ~~established under section 291C-4~~] appropriations made by the  
9 legislature to be used for the implementation of county safe  
10 routes to school program projects."

11 SECTION 21. Section 291C-5, Hawaii Revised Statutes, is  
12 amended to read as follows:

13 "[+]§291C-5[+] **Safe routes to school program surcharge.**

14 [~~(a)~~] In addition to any other civil penalties ordered by the  
15 court, a person who violates any provision under part X shall be  
16 ordered to pay a safe routes to school program surcharge of \$10  
17 if the violator is not already required to pay a safe routes to  
18 school program surcharge for the violation.

19 [~~(b)~~] The person shall pay the surcharge to the clerk of  
20 the court. [~~The surcharge shall be deposited with the director~~



1 ~~of finance who shall transmit the surcharge to the safe routes~~  
2 ~~to school program special fund established under section~~  
3 ~~291C-4.] "~~

4 SECTION 22. Section 291C-104, Hawaii Revised Statutes, is  
5 amended by amending subsection (c) to read as follows:

6 "(c) Any person who violates this section shall be fined  
7 \$250, may be charged with a surcharge of up to \$100 to be  
8 deposited into the trauma system special fund, and, where the  
9 violation involves speeding in a school zone, shall be charged  
10 with a safe routes to school program surcharge of \$25 [~~to be~~  
11 ~~deposited into the safe routes to school program special fund]. "~~

12 SECTION 23. Section 291C-4, Hawaii Revised Statutes, is  
13 repealed.

14 [~~"[§291C-4] Safe routes to school program special fund,~~  
15 ~~establishment.~~ (a) ~~There is established in the state treasury~~  
16 ~~the safe routes to school program special fund, into which shall~~  
17 ~~be deposited.~~

18 (1) ~~Assessments collected for speeding in a school zone,~~  
19 ~~pursuant to section 291C-104; and~~



~~1           (2) Safe routes to school program surcharges collected in  
2                accordance with sections 291-16 and 291C-5.  
3 Moneys in the fund shall be distributed by the director of  
4 transportation to the respective counties to expend.~~

~~5           (b) The director of transportation shall adopt rules  
6 pursuant to chapter 91 to implement this section. The rules  
7 shall establish a formula by which the moneys in the fund shall  
8 be distributed to each county and provide how the county shall  
9 expend the moneys for the purposes under [section] 291C-3 in  
10 public school zones." ]~~

11           SECTION 24. All unencumbered balances remaining in the  
12 safe routes to school program special fund repealed by this part  
13 shall lapse to the credit of the general fund.

14   PART V

15           SECTION 25. The purpose of this part is to repeal the  
16 motorcycle and motor scooter operations education fund.

17           SECTION 26. Section 26-9, Hawaii Revised Statutes, is  
18 amended by amending subsection (o) to read as follows:

19                 (o) Every person licensed under any chapter within the  
20 jurisdiction of the department of commerce and consumer affairs



1 and every person licensed subject to chapter 485A or registered  
2 under chapter 467B shall pay upon issuance of a license, permit,  
3 certificate, or registration a fee and a subsequent annual fee  
4 to be determined by the director and adjusted from time to time  
5 to ensure that the proceeds, together with all other fines,  
6 income, and penalties collected under this section, do not  
7 surpass the annual operating costs of conducting compliance  
8 resolution activities required under this section. The fees may  
9 be collected biennially or pursuant to rules adopted under  
10 chapter 91, and shall be deposited into the special fund  
11 established under this subsection. Every filing pursuant to  
12 chapter 514E or section 485A-202(a)(26) shall be assessed, upon  
13 initial filing and at each renewal period in which a renewal is  
14 required, a fee that shall be prescribed by rules adopted under  
15 chapter 91, and that shall be deposited into the special fund  
16 established under this subsection. Any unpaid fee shall be paid  
17 by the licensed person, upon application for renewal,  
18 restoration, reactivation, or reinstatement of a license, and by  
19 the person responsible for the renewal, restoration,  
20 reactivation, or reinstatement of a license, upon the



1 application for renewal, restoration, reactivation, or  
2 reinstatement of the license. If the fees are not paid, the  
3 director may deny renewal, restoration, reactivation, or  
4 reinstatement of the license. The director may establish,  
5 increase, decrease, or repeal the fees when necessary pursuant  
6 to rules adopted under chapter 91. The director may also  
7 increase or decrease the fees pursuant to section 92-28.

8       There is created in the state treasury a special fund to be  
9 known as the compliance resolution fund to be expended by the  
10 director's designated representatives as provided by this  
11 subsection. Notwithstanding any law to the contrary, all  
12 revenues, fees, and fines collected by the department shall be  
13 deposited into the compliance resolution fund. Unencumbered  
14 balances existing on June 30, 1999, in the cable television fund  
15 under chapter 440G, the division of consumer advocacy fund under  
16 chapter 269, the financial institution examiners' revolving  
17 fund, section 412:2-109, the special handling fund, section  
18 414-13, and unencumbered balances existing on June 30, 2002, in  
19 the insurance regulation fund, section 431:2-215, shall be  
20 deposited into the compliance resolution fund. This provision



1 shall not apply to the drivers education fund underwriters fee,  
2 [~~sections~~] section 431:10C-115 [~~and 431:10C-107~~], insurance  
3 premium taxes and revenues, revenues of the workers'  
4 compensation special compensation fund, section 386-151, the  
5 captive insurance administrative fund, section 431:19-101.8, the  
6 insurance commissioner's education and training fund, section  
7 431:2-214, the medical malpractice patients' compensation fund  
8 as administered under section 5 of Act 232, Session Laws of  
9 Hawaii 1984, and fees collected for deposit in the office of  
10 consumer protection restitution fund, section 487-14, the real  
11 estate appraisers fund, section 466K-1, the real estate recovery  
12 fund, section 467-16, the real estate education fund, section  
13 467-19, the contractors recovery fund, section 444-26, the  
14 contractors education fund, section 444-29, the condominium  
15 education trust fund, section 514B-71, and the mortgage  
16 foreclosure dispute resolution special fund, section 667-86.  
17 Any law to the contrary notwithstanding, the director may use  
18 the moneys in the fund to employ, without regard to chapter 76,  
19 hearings officers and attorneys. All other employees may be  
20 employed in accordance with chapter 76. Any law to the contrary



1 notwithstanding, the moneys in the fund shall be used to fund  
2 the operations of the department. The moneys in the fund may be  
3 used to train personnel as the director deems necessary and for  
4 any other activity related to compliance resolution.

5 A separate special subaccount of the compliance resolution  
6 fund, to be known as the post-secondary education authorization  
7 special subaccount, shall be established for fees collected by  
8 the department of commerce and consumer affairs pursuant to  
9 chapter 305J. The special subaccount shall be governed by  
10 section 305J-19.

11 As used in this subsection, unless otherwise required by  
12 the context, "compliance resolution" means a determination of  
13 whether:

- 14 (1) Any licensee or applicant under any chapter subject to  
15 the jurisdiction of the department of commerce and  
16 consumer affairs has complied with that chapter;
- 17 (2) Any person subject to chapter 485A has complied with  
18 that chapter;
- 19 (3) Any person submitting any filing required by chapter  
20 514E or section 485A-202(a)(26) has complied with





- 1 chapter 514E or section 485A-202(a)(26);
- 2 (4) Any person has complied with the prohibitions against
- 3 unfair and deceptive acts or practices in trade or
- 4 commerce; or
- 5 (5) Any person subject to chapter 467B has complied with
- 6 that chapter;

7 and includes work involved in or supporting the above functions,  
 8 licensing, or registration of individuals or companies regulated  
 9 by the department, consumer protection, and other activities of  
 10 the department.

11 The director shall prepare and submit an annual report to  
 12 the governor and the legislature on the use of the compliance  
 13 resolution fund. The report shall describe expenditures made  
 14 from the fund including non-payroll operating expenses."

15 SECTION 27. Section 431:2-215, Hawaii Revised Statutes, is  
 16 amended by amending subsection (a) to read as follows:

17 "(a) All assessments, fees, fines, penalties, and  
 18 reimbursements collected by or on behalf of the insurance  
 19 division under title 24, except for the commissioner's education  
 20 and training fund (section 431:2-214), the patients'



1 compensation fund (Act 232, Session Laws of Hawaii 1984), the  
2 drivers education fund underwriters fee [~~sections~~] (section  
3 431:10C-115 [~~and 431:10G-107~~]), and the captive insurance  
4 administrative fund (section 431:19-101.8) to the extent  
5 provided by section 431:19-101.8(b), shall be deposited into the  
6 compliance resolution fund under section 26-9(o). All sums  
7 transferred from the insurance division into the compliance  
8 resolution fund may be expended by the commissioner to carry out  
9 the commissioner's duties and obligations under title 24."

10 SECTION 28. Section 431:10G-107, Hawaii Revised Statutes,  
11 is amended to read as follows:

12 "~~§431:10G-107 Drivers education fund underwriters fee[~~r~~~~  
13 ~~motorcycle and motor scooter operators education fund. (a)]~~ .

14 The commissioner shall assess and levy upon each insurer, and  
15 self-insurer, a drivers education fund underwriters fee of \$2 a  
16 year on each motorcycle or motor scooter insured by each insurer  
17 or self-insurer. This fee shall be due and payable on an annual  
18 basis by means and at a time to be determined by the  
19 commissioner.



1       ~~[(b) There is created in the treasury of the State a~~  
 2       ~~special fund to be known as the motorcycle and motor scooter~~  
 3       ~~operators education fund. The commissioner shall deposit the~~  
 4       ~~fees collected under this section into the motorcycle and motor~~  
 5       ~~scooter operators education fund.~~

6       ~~(c) The fees deposited for each fiscal year into the~~  
 7       ~~motorcycle and motor scooter operators education fund, when~~  
 8       ~~appropriated, shall be available to the department of~~  
 9       ~~transportation for the administration of a drivers education~~  
 10       ~~program for operators of motorcycles or motor scooters. The~~  
 11       ~~department of transportation may spend the amount collected from~~  
 12       ~~these fees for the purposes of this section.]"~~

13           SECTION 29. All unencumbered balances remaining in the  
 14 motorcycle and motor scooter operators education fund repealed  
 15 by this part shall lapse to the credit of the general fund.

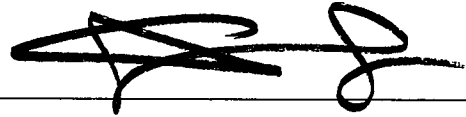
16                           PART VI

17           SECTION 30. Statutory material to be repealed is bracketed  
 18 and stricken. New statutory material is underscored.

1 SECTION 31. This Act shall take effect on July 1, 2020.

2

INTRODUCED BY: \_\_\_\_\_

A handwritten signature in black ink, appearing to be 'S. J.', written over a horizontal line.

JAN 17 2020



# H.B. NO. 1973

**Report Title:**

DOT; Reclassification of Funds; Repeal of Non-General Funds;  
Transfer of Balances

**Description:**

Abolishes, repeals, or reclassifies various non-general funds of  
the Department of Transportation.

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

