
A BILL FOR AN ACT

RELATING TO NON-GENERAL FUNDS.

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

1 PART I

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

8 PART II

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

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

14 (1) The airport sinking fund for retire term bond
15 revolving fund administratively created in 1969;

16 (2) The airport system debt service reserve account
17 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.

14 PART III

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:

20 "(a) Except as provided in this section, and
21 notwithstanding any other law to the contrary, from time to



1 time, the director of finance, for the purpose of defraying the
2 prorated estimate of central service expenses of government in
3 relation to all special funds, 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) Convention center enterprise special fund under
11 section 201B-8;

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

13 [~~(7)~~] ~~Aloha Tower fund created by section 206J-17;~~

14 ~~(8)~~] (7) Funds of the employees' retirement system created
15 by section 88-109;

16 [~~(9)~~] (8) Hawaii hurricane relief fund established under
17 chapter 431P;

18 [~~(10)~~] (9) Hawaii health systems corporation special funds
19 and the subaccounts of its regional system boards;

20 [~~(11)~~] (10) Tourism special fund established under section
21 201B-11;



- 1 ~~[(12)]~~ (11) Universal service fund established under section
2 269-42;
- 3 ~~[(13)]~~ (12) Emergency and budget reserve fund under section
4 328L-3;
- 5 ~~[(14)]~~ (13) Public schools special fees and charges fund
6 under section 302A-1130;
- 7 ~~[(15)]~~ (14) Sport fish special fund under section 187A-9.5;
- 8 ~~[(16)]~~ (15) Neurotrauma special fund under section 321H-4;
- 9 ~~[(17)]~~ (16) Glass advance disposal fee established by section
10 342G-82;
- 11 ~~[(18)]~~ (17) Center for nursing special fund under section
12 304A-2163;
- 13 ~~[(19)]~~ (18) Passenger facility charge special fund
14 established by section 261-5.5;
- 15 ~~[(20)]~~ (19) Solicitation of funds for charitable purposes
16 special fund established by section 467B-15;
- 17 ~~[(21)]~~ (20) Land conservation fund established by section
18 173A-5;
- 19 ~~[(22)]~~ (21) Court interpreting services revolving fund under
20 section 607-1.5;



- 1 ~~[(23)]~~ (22) Trauma system special fund under section
- 2 321-22.5;
- 3 ~~[(24)]~~ (23) Hawaii cancer research special fund;
- 4 ~~[(25)]~~ (24) Community health centers special fund;
- 5 ~~[(26)]~~ (25) Emergency medical services special fund;
- 6 ~~[(27)]~~ (26) Rental motor vehicle customer facility charge
- 7 special fund established under section 261-5.6;
- 8 ~~[(28)]~~ (27) Shared services technology special fund under
- 9 section 27-43;
- 10 ~~[(29)]~~ (28) Automated victim information and notification
- 11 system special fund established under section 353-136;
- 12 ~~[(30)]~~ (29) Deposit beverage container deposit special fund
- 13 under section 342G-104;
- 14 ~~[(31)]~~ (30) Hospital sustainability program special fund
- 15 under ~~[]~~section 346G-4 ~~[]~~;
- 16 ~~[(32)]~~ (31) Nursing facility sustainability program special
- 17 fund under ~~[]~~section 346F-4 ~~[]~~;
- 18 ~~[(33)]~~ (32) Hawaii 3R's school improvement fund under section
- 19 302A-1502.4;
- 20 ~~[(34)]~~ (33) After-school plus program revolving fund under
- 21 section 302A-1149.5; and



1 ~~[(35)]~~ (34) Civil monetary penalty special fund under section
2 321-30.2,
3 shall deduct five per cent of all receipts of all other special
4 funds, which deduction shall be transferred to the general fund
5 of the State and become general realizations of the State. All
6 officers of the State and other persons having power to allocate
7 or disburse any special funds shall cooperate with the director
8 in effecting these transfers. To determine the proper revenue
9 base upon which the central service assessment is to be
10 calculated, the director shall adopt rules pursuant to chapter
11 91 for the purpose of suspending or limiting the application of
12 the central service assessment of any fund. No later than
13 twenty days prior to the convening of each regular session of
14 the legislature, the director shall report all central service
15 assessments made during the preceding fiscal year."

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

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

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



- 1 (2) School cafeteria special funds of the department of
2 education;
- 3 (3) Special funds of the University of Hawaii;
- 4 (4) State educational facilities improvement special fund;
- 5 (5) Special funds established by section 206E-6;
- 6 ~~[(6) Aloha Tower fund created by section 206J-17;~~
- 7 ~~-(7)]~~ (6) Funds of the employees' retirement system created
8 by section 88-109;
- 9 ~~[(8)]~~ (7) Hawaii hurricane relief fund established under
10 chapter 431P;
- 11 ~~[(9)]~~ (8) Convention center enterprise special fund
12 established under section 201B-8;
- 13 ~~[(10)]~~ (9) Hawaii health systems corporation special funds
14 and the subaccounts of its regional system boards;
- 15 ~~[(11)]~~ (10) Tourism special fund established under section
16 201B-11;
- 17 ~~[(12)]~~ (11) Universal service fund established under section
18 269-42;
- 19 ~~[(13)]~~ (12) Emergency and budget reserve fund under section
20 328L-3;



- 1 ~~[(14)]~~ (13) Public schools special fees and charges fund
2 under section 302A-1130;
- 3 ~~[(15)]~~ (14) Sport fish special fund under section 187A-9.5;
- 4 ~~[(16)]~~ (15) Neurotrauma special fund under section 321H-4;
- 5 ~~[(17)]~~ (16) Center for nursing special fund under section
6 304A-2163;
- 7 ~~[(18)]~~ (17) Passenger facility charge special fund
8 established by section 261-5.5;
- 9 ~~[(19)]~~ (18) Court interpreting services revolving fund under
10 section 607-1.5;
- 11 ~~[(20)]~~ (19) Trauma system special fund under section 321-
12 22.5;
- 13 ~~[(21)]~~ (20) Hawaii cancer research special fund;
- 14 ~~[(22)]~~ (21) Community health centers special fund;
- 15 ~~[(23)]~~ (22) Emergency medical services special fund;
- 16 ~~[(24)]~~ (23) Rental motor vehicle customer facility charge
17 special fund established under section 261-5.6;
- 18 ~~[(25)]~~ (24) Shared services technology special fund under
19 section 27-43;
- 20 ~~[(26)]~~ (25) Nursing facility sustainability program special
21 fund established pursuant to ~~[]~~section 346F-4 ~~[]~~;



1 ~~[(27)]~~ (26) Automated victim information and notification
2 system special fund established under section 353-136;
3 ~~[(28)]~~ (27) Hospital sustainability program special fund
4 under ~~[~~section 346G-4~~]~~; and
5 ~~[(29)]~~ (28) Civil monetary penalty special fund under section
6 321-30.2,
7 shall be responsible for its pro rata share of the
8 administrative expenses incurred by the department responsible
9 for the operations supported by the special fund concerned."

10 SECTION 7. Section 206J-17, Hawaii Revised Statutes, is
11 repealed.

12 ~~["§206J-17 Aloha Tower fund. (a) There is created the~~
13 ~~Aloha Tower fund. All moneys, rentals, charges, other revenues~~
14 ~~of the development corporation, and moneys or charges received~~
15 ~~by the department of transportation, including reimbursements~~
16 ~~for costs and staff services as a result of planning,~~
17 ~~development, or redevelopment of the lands located seaward of~~
18 ~~Nimitz Highway between Pier 4 and Pier 11 shall be deposited~~
19 ~~into the fund.~~

20 ~~(b) The development corporation may establish a separate~~
21 ~~account with respect to each issue of bonds issued under this~~



1 ~~chapter and direct that the moneys, rentals, charges, and other~~
2 ~~revenues pledged to the payment of the bond issue be credited to~~
3 ~~that account and, as permitted by section 206J-12(g)(7),~~
4 ~~designate a trustee to receive and receipt for, hold, and~~
5 ~~administer the moneys in the account. Moneys credited to a~~
6 ~~separate account held by a trustee may be paid directly to the~~
7 ~~trustee, provided that appropriate entries are made for purposes~~
8 ~~of accounting.~~

9 ~~(c) The moneys on deposit in the fund shall be used for~~
10 ~~the purposes of this chapter, lease payments to the department~~
11 ~~of transportation, and for the development, redevelopment, or~~
12 ~~improvement of the Honolulu Waterfront located seaward of Nimitz~~
13 ~~Highway between Pier 4 and Pier 11."]~~

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

- 16 (1) The 1997 certificate - harbor interest account
17 revolving fund administratively created in 1997;
- 18 (2) The 1997 certificate - harbor principal account
19 revolving fund administratively created in 1997;



1 (3) The 7th supplemental certificate 2010A debt service
2 reserve fund principal revolving fund administratively
3 created in 2010; and

4 (4) The harbor extraordinary renewal/replacement reserve
5 account revolving fund administratively created in
6 1997.

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

11 SECTION 10. All unencumbered balances remaining in the
12 Aloha tower fund repealed by this part shall lapse to the credit
13 of the general fund.

14 PART IV

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

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

20 " ~~§264-16~~ State highway clearing accounts. The
21 director of transportation may with the prior approval of the



1 director of finance and comptroller establish the state highway
2 payroll clearing account, employee benefits clearing account,
3 construction administration clearing trust account, and any
4 other necessary clearing account or clearing trust account to
5 effectively account for program costs and appropriations.

6 The director of transportation may, from time to time, make
7 advances to the clearing accounts or clearing trust accounts
8 from the state highway fund or from any moneys appropriated or
9 otherwise made available to the department. The advances shall
10 be in such amounts as may be required to meet the obligations of
11 the department which are authorized by the legislature.

12 As soon as practicable after an expenditure from a clearing
13 account [7] or clearing trust account, a determination shall be
14 made of the proper fund or appropriation to which the
15 expenditure should be charged. The fund or account from which
16 funds are advanced shall thereupon be reimbursed out of the
17 proper fund or appropriation."

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

20 [~~§264-19~~] ~~Transportation improvement special fund.~~ (a)
21 ~~There is created within the state treasury the transportation~~



1 ~~improvement special fund to fund qualified transportation~~
2 ~~projects and to receive reimbursements from private developers~~
3 ~~who have been advanced public funds to fulfill the conditions of~~
4 ~~land use development relating to transportation.~~

5 ~~The director may expend from the special fund such sums as~~
6 ~~are necessary to advance transportation projects, including~~
7 ~~administrative expenses, to the extent permissible.~~

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

9 ~~(A) Have been identified in or are consistent with~~
10 ~~the statewide transportation plan adopted~~
11 ~~pursuant to chapter 279A; and~~

12 ~~(B) Satisfy all applicable federal and state~~
13 ~~eligibility requirements; or~~

14 ~~(2) When the director determines that funds previously~~
15 ~~authorized for the aforementioned projects are~~
16 ~~inadequate or any delay in the completion of such~~
17 ~~projects would unnecessarily increase their cost or~~
18 ~~intensify undesirable transportation conditions.~~

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



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

7 ~~(d) Expenditures from the special fund may not be made by~~
8 ~~the director without appropriation by the legislature. No~~
9 ~~expenditure shall be made from, and no obligation shall be~~
10 ~~incurred against, the special fund in excess of the amount~~
11 ~~standing to the credit of the special fund or for any purpose~~
12 ~~for which moneys from the special fund may not lawfully be~~
13 ~~expended.~~

14 ~~(e) The department of transportation shall prepare and~~
15 ~~submit an annual report to the legislature on the use of the~~
16 ~~transportation improvement special fund which shall include, but~~
17 ~~not be limited to:~~

18 ~~(1) The [special] fund balance and the expenses made from~~
19 ~~the [special] fund for the immediately preceding~~
20 ~~fiscal year; and~~



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

3 ~~This report shall be submitted to the legislature no later~~
4 ~~than twenty days prior to the convening of each legislative~~
5 ~~session.~~

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

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

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

11 ~~"Special fund" means the transportation improvement special~~
12 ~~fund."]~~

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

15 (1) The highway senior interest account revolving fund
16 administratively created in 1994;

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

19 (3) The highways accrued payroll overhead revolving fund
20 administratively created in 1983.



1 SECTION 15. The special deposits - highways trust account
2 administratively created in 1979 is reclassified as a trust
3 fund.

4 SECTION 16. Any unencumbered balances in the highway
5 senior debt service reserve account revolving fund
6 administratively created in 1994 shall be transferred to the
7 credit of the state highway fund established by section 248-8,
8 Hawaii Revised Statutes.

9 SECTION 17. All unencumbered balances remaining in the
10 transportation improvement special fund repealed by this part
11 shall lapse to the credit of the general fund.

12 PART V

13 SECTION 18. Section 291C-3, Hawaii Revised Statutes, is
14 amended by amending subsection (d) to read as follows:

15 "(d) ~~[The director of transportation, through the safe~~
16 ~~routes to school program coordinator and in consultation with~~
17 ~~county safe routes to school program coordinators, shall develop~~
18 ~~a mechanism to provide funds to county safe routes to school~~
19 ~~programs from the safe routes to school program special fund~~
20 ~~established under section 291C-4]~~ The legislature shall
21 appropriate funds to the counties to be used for the



1 implementation of county safe routes to school program projects.
2 No later than twenty days prior to the convening of each regular
3 session, each county shall submit to the legislature an annual
4 report on the status and progress of its county safe routes to
5 school program, including an accounting of all grants provided
6 through the program and a timeline for future grant awards."

7 PART VI

8 SECTION 19. Statutory material to be repealed is bracketed
9 and stricken. New statutory material is underscored.

10 SECTION 20. This Act shall take effect on July 1, 2050.



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. Effective 7/1/2050. (HD1)

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not legislation or evidence of legislative intent.*

