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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:**

PART I. INTRODUCTION

SECTION 1. The coronavirus disease 2019 pandemic has swept across the nation and many parts of the world with unanticipated force and brought with it enormous challenges for governments at all levels. These challenges provide opportunities to restructure.

The legislature finds that, fundamentally, non-general funds must be reviewed and scrutinized just as much as general funds to determine if resources are being deployed effectively and efficiently.

The purpose of this Act is to trigger a full accounting of various non-general funded program objectives, performance, and results by repealing or abolishing those non-general funds.

PART II. DEPARTMENT OF AGRICULTURE

SECTION 2. Section 155-4, Hawaii Revised Statutes, is amended to read as follows:



1       **"§155-4 Powers and duties of the department.** The  
2 department of agriculture shall have the following powers:

- 3       (1) Employ a secretary, who may be exempt from chapter 76,  
4       and other full-time and part-time employees, subject  
5       to chapter 76, as are necessary to effectuate the  
6       purposes of this chapter[, ~~subject further to the~~  
7       ~~limitation of funds in the agricultural loan reserve~~  
8       ~~fund~~];
- 9       (2) Designate agents throughout the State as may be  
10       necessary for property appraisal, the consideration of  
11       loan applications, and the supervision of farming  
12       operations of borrowers. The agents may be  
13       compensated for their services at rates the department  
14       in its discretion may fix;
- 15       (3) Initiate and carry on a continuing research and  
16       education program, utilizing and coordinating the  
17       services and facilities of other government agencies  
18       and private lenders to the maximum, to inform  
19       qualified farmers concerning procedures for obtaining  
20       loans and to inform private lenders concerning the  
21       advantages of making loans to qualified farmers;



- 1 (4) Cooperate with private and federal government farm  
2 loan sources to increase the amount of loan funds  
3 available to qualified farmers in the State;
- 4 (5) Assist individual qualified farmers in obtaining loans  
5 from other sources. Insofar as available funds and  
6 staff permit, counsel and assist individual farmers in  
7 establishing and maintaining proper records to prove  
8 their farming ability for loan purposes;
- 9 (6) Insure loans made to qualified farmers and food  
10 manufacturers by private lenders under section 155-5;
- 11 (7) Participate in loans made to qualified farmers and  
12 food manufacturers by private lenders under section  
13 155-6;
- 14 (8) Make direct loans to qualified farmers and food  
15 manufacturers under section 155-8;
- 16 (9) Borrow money for loan purposes;
- 17 (10) Assign and sell mortgages;
- 18 (11) Hold title to, maintain, use, manage, operate, sell,  
19 lease, or otherwise dispose of personal and real  
20 property acquired by way of foreclosure, voluntary  
21 surrender, or otherwise, to recover moneys loaned;



1 (12) . Sue and be sued in the name of the "State of Hawaii";

2 (13) Exercise incidental powers as are deemed necessary or  
3 requisite to fulfill its duty in carrying out the  
4 purposes of this chapter;

5 (14) Delegate authority to its chairperson to approve  
6 loans, where the requested amount plus any principal  
7 balance on existing loans to the applicant, does not  
8 exceed \$25,000 of state funds; and

9 (15) Adopt rules pursuant to chapter 91 necessary for the  
10 purpose of this chapter."

11 SECTION 3. Section 155-14, Hawaii Revised Statutes, is  
12 amended by amending subsection (b) to read as follows:

13 "(b) ~~[All interest and fees collected by the department~~  
14 ~~shall be deposited in the agricultural loan reserve fund to the~~  
15 ~~extent needed to carry on the operations of the department~~  
16 ~~including payments for consultative services that would~~  
17 ~~strengthen the agriculture loan program; any moneys surplus to~~  
18 ~~these needs shall be transferred to the agricultural loan~~  
19 ~~revolving fund at the discretion of the department.] All~~  
20 payments received on account of principal shall be credited to  
21 the agricultural loan revolving fund."



SECTION 4. Section 150A-4.5, Hawaii Revised Statutes, is repealed.

~~["§150A-4.5 Pest inspection, quarantine, and eradication fund. (a) There is established in the state treasury the pest inspection, quarantine, and eradication fund, into which shall be deposited:~~

- ~~(1) Legislative appropriations for biosecurity and inspection, quarantine, and eradication services;~~
- ~~(2) Service fees, charges, and penalties collected under section 150A-5.3;~~
- ~~(3) Fees imposed for services pursuant to this chapter or rules adopted under this chapter;~~
- ~~(4) Fines for violations of this chapter;~~
- ~~(5) Federal funds received for biosecurity, pest inspection, control, management, quarantine, and eradication programs;~~
- ~~(6) Grants and gifts;~~
- ~~(7) All interest earned or accrued on moneys deposited in the fund; and~~
- ~~(8) Any other moneys made available to the fund.~~



~~(b) The moneys in the pest inspection, quarantine, and eradication fund shall be expended by the department for the operation of biosecurity and pest inspection, quarantine, eradication, and monitoring programs; the electronic importer manifest program; related facilities; the execution of emergency remedial measures when pests are detected in the course of inspection and quarantine activities by the department; training of inspectors; education of the agricultural industry, permit and certificate holders, and the general public as to import requirements; and for any other purposes deemed necessary to carry out the purposes of this chapter. In addition, the moneys shall be expended to facilitate the processing and issuance of permits and microorganism import documents and for the operations, activities, and monitoring of permitted and certified plants, animals, and microorganisms." ]~~

SECTION 5. Section 155-34, Hawaii Revised Statutes, is repealed.

~~["**§155-34** **Hawaii water infrastructure special fund.** (a) There is established the Hawaii water infrastructure special fund into which shall be deposited:~~



1       ~~(1) Water infrastructure charges received for the use and~~  
2       ~~services of the loan program, including the repayment~~  
3       ~~of loans made under the loan program;~~

4       ~~(2) All other funds received by the department and legally~~  
5       ~~available for the purposes of the water infrastructure~~  
6       ~~special fund;~~

7       ~~(3) Interest earnings on all amounts in the water~~  
8       ~~infrastructure special fund; and~~

9       ~~(4) Any other moneys permitted by the board of~~  
10       ~~agriculture.~~

11       ~~(b) Moneys in the water infrastructure special fund may be~~  
12       ~~used for the purposes of:~~

13       ~~(1) Making water infrastructure loans;~~

14       ~~(2) Paying administrative costs of the loan program; or~~

15       ~~(3) Paying any other costs related to the loan program." ]~~

16       SECTION 6. Section 157-29, Hawaii Revised Statutes, is  
17       repealed.

18       ~~[ "**\$157-29 Milk control special fund.** There is established~~  
19       ~~the milk control special fund to be administered by the board of~~  
20       ~~agriculture. All moneys received by the board of agriculture as~~  
21       ~~application fees and for licenses or otherwise under this~~



~~chapter, and any state appropriations or other moneys made available to carry out the purposes of this chapter, shall be deposited into the special fund. All interest earned or accrued on moneys deposited in the special fund shall become part of the special fund. Moneys in the special fund shall be expended to cover all costs of administering this chapter including but not limited to the costs of salaries, fringe benefits, operating expenses, equipment, motor vehicles, contracts for services, and promotional expenses. Moneys in the special fund may be transferred to the general fund for salaries and fringe benefits of other state employees assisting in administering this chapter and other related costs. A reserve in an amount of not less than \$300,000 shall be maintained in the special fund to cover contingency costs including but not limited to accrued vacation leave, audits, unemployment insurance, and workers' compensation." ]~~

SECTION 7. Sections 150A-5.3(a), 150A-5.4(b), 150A-7.6(b), 150A-21, 150A-23, 150A-31, 150A-42, 150A-54, and 155-6.5(a), Hawaii Revised Statutes, are amended by substituting the words "general fund" or similar term, wherever the words "pest inspection, quarantine, and eradication fund under section





1 150A-4.5", or "pest inspection, quarantine, and eradication  
2 fund", "agricultural loan reserve fund" or similar term,  
3 appears, as the context requires.

4 SECTION 8. The following funds (account code) are  
5 abolished:

- 6 (1) Measurement standards (S-309-A);
- 7 (2) Aquaculture loan reserve fund (S-310-A);
- 8 (3) Biosecurity program(S-312-A);
- 9 (4) General administration for agriculture (S-319-A);
- 10 (5) Agr dev/food security - add (S-321-A);
- 11 (6) Agr dev/food security - pi (S-333-A);
- 12 (7) Agr dev/food security - arm (S-335-A);
- 13 (8) Agribusiness development & research (S-337-A); and
- 14 (9) Agricultural dev & food security spec fd (S-352-A),
- 15 and any unencumbered balances shall lapse to the credit of the
- 16 general fund.

17 PART III. DEPARTMENT OF BUDGET AND FINANCE

18 SECTION 9. The mass transit special fund, account code  
19 S-350-0, is abolished and the unencumbered balance shall lapse  
20 to the credit of the general fund.



This section shall not be construed to abolish the departmental administration and budget division, account code S-316-0, commonly known as the main mass transit special fund account or the mass transit special fund account.

PART IV. DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND  
TOURISM

SECTION 10. The hydrogen investment capital special fund, account code S-308-B, is abolished and the unencumbered balance shall lapse to the credit of the general fund.

## PART V. DEFENSE

SECTION 11. The following funds (account code) are abolished:

- (1) Personal protective equipment (S-350-G);
- (2) Tsunami & hurricane preparedness efforts (T-906-G);
- and
- (3) Juvenile accountability block grant (T-911-G),
- and any unencumbered balances shall lapse to the credit of the general fund.

## PART VI. DEPARTMENT OF EDUCATION

SECTION 12. Section 302A-425, Hawaii Revised Statutes, is amended by amending subsection (f) to read as follows:



1        "(f) Fees collected pursuant to this section shall be  
2 deposited into the [~~private trade, vocational, and technical~~  
3 ~~school licensure special~~] general fund."

4        SECTION 13. Section 302A-425.5, Hawaii Revised Statutes,  
5 is repealed.

6        [~~"[§302A-425.5] Private trade, vocational, and technical~~  
7 ~~school licensure special fund.~~ There is created in the state  
8 treasury a special fund to be designated as the private trade,  
9 vocational, and technical school licensure special fund into  
10 which shall be deposited.

11        ~~(1) All revenues and fees collected by the department~~  
12                ~~pursuant to section 302A-425; and~~

13        ~~(2) Appropriations from the general fund of the State.~~  
14 ~~Moneys in the private trade, vocational, and technical school~~  
15 ~~licensure special fund shall be used to fund activities related~~  
16 ~~to the licensure requirements established under section~~  
17 ~~302A-425, including funding for permanent staff positions and~~  
18 ~~administrative and operational costs." ]~~

19                                PART VII. DEPARTMENT OF HEALTH

20        SECTION 14. Section 103D-407, Hawaii Revised Statutes, is  
21 amended by amending subsection (d) to read as follows:



1        "(d) As used in this section:

2        "Basecourse" means the layer or layers of specified  
3 material or selected material of a designed thickness to support  
4 a surface course.

5        [~~"Environmental management special fund" means the fund~~  
6 ~~established by section 342G-63.~~]

7        "Nonstructural backfill" means use as fill in areas not  
8 subject to structural loading, including but not limited to  
9 utility line bedding, drainage backfill behind retaining walls,  
10 drainage line backfill in leachfields or french drains, and  
11 similar uses."

12        SECTION 15. Section 342G-1, Hawaii Revised Statutes, is  
13 amended by deleting the definition of "environmental management  
14 special fund".

15        [~~"Environmental management special fund" means the fund~~  
16 ~~created by section 342G-63."~~]

17        SECTION 16. Section 342G-15, Hawaii Revised Statutes, is  
18 amended by amending subsection (a) to read as follows:

19        "(a) The coordinator shall prepare and submit an annual  
20 report to each county, the director, the governor, and the  
21 legislature, twenty days prior to the convening of each regular



1 session of the legislature, describing the activities of the  
2 office. The annual report shall provide the information  
3 required in this chapter, including, but not limited to:

4 (1) A summary of the results achieved in meeting the state  
5 waste reduction goals, including the amounts of waste  
6 disposed of, diverted, and generated in the State, and  
7 the progress toward managing waste in consideration of  
8 the state solid waste management priorities;

9 (2) Results achieved in county integrated solid waste  
10 management planning and the state plan, with  
11 timetables for completion and implementation;

12 (3) Results achieved in implementing procurement programs,  
13 including the amount of recycled goods and materials  
14 purchased by the State and counties;

15 (4) Total paper consumption by state and county agencies  
16 and results achieved with the office paper reduction  
17 goal;

18 (5) Results achieved by government agencies in  
19 establishing office paper and other materials recovery  
20 programs;



(6) Results achieved by state and county agencies in removing barriers to the development of recycling markets and in developing markets and supporting businesses that use recovered materials;

(7) A summary of results achieved by state and county agencies in the provision and execution of the statewide public awareness and education program;

(8) A summary of results achieved by agencies to improve energy efficiency and to reduce reliance on imported fuels in compliance with sections 226-18 and 226-52; and

(9) A summary and schedule of the key solid waste management goals and objectives planned for the following year at state and county levels[~~and~~

~~(10) Revenues into and expenditures from the environmental management special fund during the previous fiscal year and projections for revenues and expenditures in the coming fiscal year]."~~

SECTION 17. Section 342G-62, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:



1       "(b) The surcharge collected pursuant to this section  
2 shall be deposited into the [~~environmental management special~~  
3 ~~fund. All interest earned or accrued on moneys deposited in the~~  
4 ~~fund shall become a part of the~~] general fund."

5       SECTION 18. Section 342G-84, Hawaii Revised Statutes, is  
6 amended as follows:

7       1. By amending its title and subsections (a) and (b) to  
8 read:

9       "**§342G-84 Deposit into [environmental management special]**  
10 **the general fund; distribution to counties.** (a) Revenues  
11 generated from the advance disposal fee shall be deposited into  
12 [~~a special account in the environmental management~~] the general  
13 fund. [Moneys from the special account shall be used to]  
14 Subject to available funds appropriated by the legislature, the  
15 department may fund county glass recovery programs established  
16 in accordance with the requirements under section 342G-86;  
17 provided that no moneys shall be made available to a county  
18 unless the county has first submitted its formally adopted  
19 integrated solid waste management plan to the department for  
20 review. [In the event of any surplus in the special account,



1 ~~the department shall recommend a reduction in the fee as deemed~~  
2 ~~necessary.]~~

3 (b) The department shall distribute [~~the moneys contained~~  
4 ~~in the special account~~] available funds to the counties in  
5 proportion to the amount of glass imported into each county  
6 based on the county's de facto population. The distribution  
7 shall be in the form of direct contracts with the department as  
8 permitted under chapters 103 and 103D or transfer of funds from  
9 the department."

10 2. By amending subsection (d) to read:

11 "(d) All moneys distributed to the counties under  
12 subsection (b), and not used by the counties as specified in  
13 section 342G-86, shall be returned to the State for deposit into  
14 the [~~environmental management special~~] general fund at the end  
15 of each annual contract period."

16 SECTION 19. Section 342P-28, Hawaii Revised Statutes, is  
17 amended to read as follows:

18 "**§342P-28 Fees.** The director may establish reasonable  
19 fees for the issuance of notifications, certificates, licenses,  
20 permits, and variances to cover the cost of issuance thereof,  
21 and for the implementation and enforcement of the terms and





1 conditions of permits and variances not including court costs or  
2 other costs associated with any formal enforcement action. The  
3 fees shall be deposited to the credit of the [~~asbestos and lead~~  
4 ~~abatement special fund or noise, radiation, and indoor air~~  
5 ~~quality special~~] general fund."

6 SECTION 20. Section 466J-5, Hawaii Revised Statutes, is  
7 amended by amending subsection (e) to read as follows:

8 "(e) The applicant applying for a license to practice as a  
9 radiographer, as a radiation therapist, or as a nuclear medicine  
10 technologist shall pay a nonrefundable application fee to the  
11 department. All [~~fees received by the department pursuant to~~  
12 ~~this section shall be deposited into the noise, radiation, and~~  
13 ~~indoor air quality special fund established pursuant to section~~  
14 ~~342P-7; provided that any other~~] moneys collected pursuant to  
15 this chapter shall be deposited with the director of finance to  
16 the credit of the general fund, unless otherwise provided by  
17 law."

18 SECTION 21. Section 321-27, Hawaii Revised Statutes, is  
19 repealed.

20 [~~"§321-27 Sanitation and environmental health special~~  
21 ~~fund.~~ (a) ~~There is established within the department of health~~



1 ~~the sanitation and environmental health special fund into which~~  
2 ~~shall be deposited all moneys collected from fees for permits,~~  
3 ~~licenses, inspections, various certificates, variances,~~  
4 ~~investigations, and reviews, pursuant to sections 321 11.5(c)~~  
5 ~~and 321 15.~~

6 ~~(b) Moneys in the fund shall be expended by the department~~  
7 ~~to partially fund the operating costs of program activities and~~  
8 ~~functions authorized pursuant to section 321 11 to enhance the~~  
9 ~~capacity of sanitation and environmental health programs to:~~

10 ~~(1) Improve public outreach efforts and consultations to~~  
11 ~~regulated businesses and industries;~~

12 ~~(2) Educate the public, staff, and regulated businesses~~  
13 ~~and industries;~~

14 ~~(3) Plan for future growth and expansion to meet emerging~~  
15 ~~needs;~~

16 ~~(4) Provide training opportunities to ensure the~~  
17 ~~maintenance of professional competence among~~  
18 ~~sanitation and environmental health staff and~~  
19 ~~administrators; and~~

20 ~~(5) Conduct program activities and functions of the~~  
21 ~~sanitation branch, including permit issuance,~~



1           ~~inspections, and enforcement and the hiring of~~  
2           ~~additional inspectors,~~  
3   ~~provided that for environmental health programs, not more than~~  
4   ~~\$140,000 of the fund may be used during any fiscal year for fund~~  
5   ~~administration, including the hiring of not more than two full-~~  
6   ~~time equivalent personnel, and the purchase of office and~~  
7   ~~electronic equipment.~~

8           ~~(c) Any amount in the fund in excess of \$1,500,000 on~~  
9   ~~June 30 of each year shall be deposited into the general fund.~~

10          ~~(d) The department of health shall submit a report to the~~  
11   ~~legislature concerning the status of the sanitation and~~  
12   ~~environmental health special fund, including:~~

13          ~~(1) The amount of moneys taken in by and expended from the~~  
14           ~~fund; and~~

15          ~~(2) The sources of receipts and uses of expenditures,~~  
16   ~~not less than twenty days prior to the convening of each regular~~  
17   ~~session." ]~~

18          SECTION 22. Section 342G-63, Hawaii Revised Statutes, is  
19   repealed.

20          ~~[ "§342G-63 Establishment of the environmental management~~  
21   ~~special fund. (a) There is created in the state treasury an~~



~~environmental management special fund. The fund may receive legislative appropriations, grants and gifts.~~

~~(b) All moneys collected pursuant to section 342G-62 shall be deposited into the environmental management special fund.~~

~~All interest earned or accrued on moneys deposited into the fund shall become a part of the fund.~~

~~(c) The department shall expend moneys contained in the environmental management special fund to:~~

~~(1) Partially fund the operating costs of the program including its regulatory functions and the development of waste reduction and diversion activities as mandated by chapter 342G;~~

~~(2) Fund statewide education, demonstration, and market development programs, through direct contract or direct transfer of funds to the counties and the department of business, economic development, and tourism, or under a grant program that may be developed under rules pursuant to chapter 91; and~~

~~(3) Provide for annual training for municipal solid waste operators in compliance with 40 Code of Federal~~



1           ~~Regulations Part 258 and chapter 11 58, Hawaii~~  
2           ~~Administrative Rules."~~]

3           SECTION 23.   Section 342G-64, Hawaii Revised Statutes, is  
4   repealed.

5           ~~["~~§342G-64~~ Administration of the environmental~~  
6   ~~management special fund.~~ (a) The department may adopt rules to  
7   ~~administer the environmental management special fund.~~ During  
8   ~~the interim period until such rules are established, the~~  
9   ~~department may distribute funding to the counties or the~~  
10   ~~department of business, economic development, and tourism in the~~  
11   ~~form of a contractual agreement pursuant to section 103-22.~~

12          ~~(b) The office shall not award any grant or contract under~~  
13   ~~this section to any county that has failed to comply with the~~  
14   ~~conditions set forth in this part and any rules adopted pursuant~~  
15   ~~thereto.~~

16          ~~(c) Unexpended or unencumbered grant funds shall revert to~~  
17   ~~the environmental management special fund at the end of the~~  
18   ~~fiscal year following the year in which the funds were~~  
19   ~~granted."~~]

20           SECTION 24.   Section 342I-29, Hawaii Revised Statutes, is  
21   repealed.



1       ~~[ "§342I-29] Deposit into environmental management special~~  
2 ~~fund. The surcharge collected pursuant to this part shall be~~  
3 ~~deposited into a special account in the environmental management~~  
4 ~~special fund established by section 342G-63. All interest~~  
5 ~~earned or accrued on moneys deposited in the fund pursuant to~~  
6 ~~this section shall become part of the account. Moneys from this~~  
7 ~~special account may be used by the department to:~~

8       ~~(1) Support permitting, monitoring, and enforcement~~  
9       ~~activities, including personnel costs regarding used~~  
10       ~~tire management, collection, recycling, and disposal~~  
11       ~~facilities;~~

12       ~~(2) Promote improved market development and reuse~~  
13       ~~opportunities for recovered motor vehicle tires;~~

14       ~~(3) Promote tire recovery, recycling, and reuse in the~~  
15       ~~State through education, research, and demonstration~~  
16       ~~projects;~~

17       ~~(4) Implement the surcharge program under this part;~~

18       ~~(5) Support programs to prevent illegal dumping; and~~

19       ~~(6) Clean up improper tire disposal sites including~~  
20       ~~conducting related environmental assessments and~~  
21       ~~remediation." ]~~



SECTION 25. Section 342P-7, Hawaii Revised Statutes, is repealed.

~~["§342P-7] Noise, radiation, and indoor air quality special fund, established. (a) There is established within the department of health a noise, radiation, and indoor air quality special fund into which shall be deposited all moneys collected from fees for permits, licenses, inspections, certificates, notifications, variances, investigations, and review, pursuant to sections 342F-14, 342P-28, 466J-4, and 466J-5.~~

~~(b) Moneys in the fund shall be expended by the department to:~~

~~(1) Partially fund the operating costs of the program mandated activities and functions;~~

~~(2) Fund statewide education, demonstration, and outreach programs;~~

~~(3) Provide training opportunities to ensure the maintenance of professional competence among staff and administrators; and~~

~~(4) Plan for future growth and expansion to meet emerging needs." ]~~



SECTION 26. Section 342P-8, Hawaii Revised Statutes, is repealed.

~~["§342P-8 Asbestos and lead abatement special fund.](a) There is established within the department of health an asbestos and lead abatement special fund into which shall be deposited all moneys collected from fees for permits, licenses, inspections, certificates, notifications, variances, investigations, and reviews.~~

~~(b) Moneys in the asbestos and lead abatement special fund shall be expended by the department to:~~

- ~~(1) Partially fund the operating costs of the asbestos and lead abatement program's mandated activities and functions;~~
- ~~(2) Fund statewide education, demonstration, and outreach programs;~~
- ~~(3) Provide for the accreditation of training programs;~~
- ~~(4) Provide training opportunities to ensure the maintenance of professional competence among staff and administrators; and~~
- ~~(5) Plan for future growth and expansion to meet emerging needs." ]~~





1 SECTION 27. Section 448B-10, Hawaii Revised Statutes, is  
2 repealed.

3 ~~["§448B-10 Dietitian licensure special fund. (a) There~~  
4 ~~is established in the state treasury a special fund to be known~~  
5 ~~as the dietitian licensure special fund to be administered by~~  
6 ~~the department. Fees collected under section 448B-9 shall be~~  
7 ~~deposited in the dietitian licensure special fund and may be~~  
8 ~~expended for costs associated with administering the licensure~~  
9 ~~program, including but not limited to education.~~

10 ~~(b) Not more than \$30,000 of the dietitian licensure~~  
11 ~~special fund may be used during any fiscal year for activities~~  
12 ~~associated with administering the licensure program including~~  
13 ~~the costs associated with administering the licensure program.~~

14 ~~(c) Any amount in the dietitian licensure special fund in~~  
15 ~~excess of \$35,000 on June 30 of each fiscal year shall be~~  
16 ~~deposited into the general fund.~~

17 ~~(d) The department shall submit a report to the~~  
18 ~~legislature concerning the status of the dietitian licensure~~  
19 ~~special fund, including deposits to and expenditures from the~~  
20 ~~dietitian licensure special fund and the sources of receipts and~~



~~uses of expenditures, no later than twenty days prior to the  
convening of each regular session." ]~~

SECTION 28. Sections 321-11.5(c), 321-15(a), 342F-14,  
342I-28(b), 342I-30(b), and 466J-4(b), Hawaii Revised Statutes,  
are amended by substituting the words "general fund" wherever  
the words "sanitation and environmental health special fund  
established under section 321-27", "noise, radiation, and indoor  
air quality special fund established pursuant to section  
342P-7", "environmental management special fund as provided in  
section 342I-29", "special account of the environmental  
management special fund", or similar term appears, as the  
context requires.

SECTION 29. The following funds (account code) are  
abolished:

- (1) Communicable disease & pub hlth nursing (S-318-H);
- (2) Maui memorial hospital (S-355-H);
- (3) Hana medical center (S-356-H);
- (4) Lanai community hospital (S-358-H);
- (5) Home visitation program (S-369-H);
- (6) Kula hospital (S-371-H); and
- (7) Hawaii health systems corp (S-403-H),



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

3 PART VIII. DEPARTMENT OF HUMAN SERVICES

4 SECTION 30. Act 156, Session Laws of Hawaii 2012, section  
5 5, as amended by section 3 of Act 142, Session Laws of Hawaii  
6 2013, as amended by section 2 of Act 124, Session Laws of Hawaii  
7 2014, as amended by section 2 of Act 69, Session Laws of Hawaii  
8 2015, as amended by section 2 of Act 59, Session Laws of Hawaii  
9 2016, as amended by section 5 of Act 60, Session Laws of Hawaii  
10 2017, as amended by section 6 of Act 163, Session Laws of Hawaii  
11 2019, is amended by amending section 5 to read as follows:

12 "SECTION 5. This Act shall take effect on July 1, 2012,  
13 and shall be repealed on June 30, 2021; provided that section  
14 -4, Hawaii Revised Statutes, established by section 2 of  
15 this Act, and the amendment made to section 36-30(a), Hawaii  
16 Revised Statutes, in section 3 of this Act, shall be repealed on  
17 [~~December 31,~~] July 1, 2021."

18 SECTION 31. Act 124, Session Laws of Hawaii 2014, section  
19 7, as amended by section 3 of Act 69, Session Laws of Hawaii  
20 2015, as amended by section 3 of Act 59, Session Laws of Hawaii  
21 2016, and as amended by section 6 of Act 60 Session Laws of



1 Hawaii 2017, as amended by section 7 of Act 163, Session Laws of  
2 Hawaii 2019, is amended by amending section 7 to read as  
3 follows:

4 "SECTION 7. This Act shall take effect on June 29, 2014;  
5 provided that:

6 (1) Section 5 shall take effect on July 1, 2014; and

7 (2) The amendments made to section 36-27(a) and 36-30(a),

8 Hawaii Revised Statutes, in sections 3 and 4 of this

9 Act shall be repealed on [~~December 31,~~] July 1, 2021."

10 SECTION 32. Act 217, Session Laws of Hawaii 2012, section  
11 5, as amended by section 2 of Act 141, Session Laws of Hawaii  
12 2013, as amended by section 2 of Act 123, Session Laws of Hawaii  
13 2014, as amended by section 2 of Act 70, Session Laws of Hawaii  
14 2015, as amended by section 3 of Act 60, Session Laws of Hawaii  
15 2016, as amended by section 5 of Act 59, Session Laws of Hawaii  
16 2017, as amended by section 6 of Act 173, Session Laws of Hawaii  
17 2019, is amended to read as follows:

18 "SECTION 5. This Act shall take effect on July 1, 2012,  
19 and shall be repealed on June 30, 2021; provided that section

20 -4, Hawaii Revised Statutes, in section 2 of this Act, and  
21 the amendment to section 36-30(a), Hawaii Revised Statutes, in



1 section 3 of this Act, shall be repealed on [~~December 31,~~  
2 July 1, 2021."]

3 SECTION 33. Act 123, Session Laws of Hawaii 2014, section  
4 7, as amended by section 3 of Act 70, Session Laws of Hawaii  
5 2015, as amended by section 4 of Act 60, Session Laws of Hawaii  
6 2016, as amended by section 6 of Act 59, Session Laws of Hawaii  
7 2017, as amended by section 7 of Act 173, Session Laws of Hawaii  
8 2019, is amended to read as follows:

9 "SECTION 7. This Act shall take effect on June 29, 2014;  
10 provided that:

- 11 (1) Section 5 shall take effect on July 1, 2014; and  
12 (2) The amendments made to sections 36-27(a) and 36-30(a),  
13 Hawaii Revised Statutes, in sections 3 and 4 of this  
14 Act shall be repealed on [~~December 31,~~ July 1, 2021."]

15 SECTION 34. The following funds (account code) are  
16 abolished:

- 17 (1) General support for health care payments (S-302-K);  
18 (2) Health care payments (S-303-K); and  
19 (3) Financial assistance for housing (S-339-K),  
20 and any unencumbered balances shall lapse to the credit of the  
21 general fund.



1 PART IX. DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

2 SECTION 35. Section 706-650.5, Hawaii Revised Statutes, is  
3 amended to read as follows:

4 "**§706-650.5 Human trafficking victim services ~~[fund.]~~ fee.**

5 (1) In addition to any disposition authorized by chapter 706,  
6 any individual who is:

7 (a) Convicted of an offense under part VIII of chapter  
8 707; or

9 (b) Convicted of an offense under part I of chapter 712;  
10 shall be ordered to pay a fee under subsection (2).

11 (2) Fees for individuals subject to subsection (1) shall  
12 not exceed the following:

13 (a) \$5,000 when the offense is a class A felony;

14 (b) \$2,500 when the offense is a class B felony;

15 (c) \$1,000 when the offense is a class C felony;

16 (d) \$500 when the offense is a misdemeanor; or

17 (e) \$250 when the offense is a petty misdemeanor.

18 ~~[(3) There is established within the state treasury a~~  
19 ~~special fund to be known as the human trafficking victim~~  
20 ~~services fund to be administered by the department of labor and~~  
21 ~~industrial relations. The disbursement of money from the human~~



~~trafficking victim services fund shall be used to supplement  
programs, grants, or purchase of service contracts that support  
or provide comprehensive services to victims of labor  
trafficking crimes under part VIII of chapter 707, or victims of  
trafficking related to crimes under part I of chapter 712.~~

~~Moneys in the special fund shall be used for new or existing  
programs, grants, or purchase of service contracts and shall not  
supplant any other moneys previously allocated to these  
programs, grants, or purchase of service contracts.~~

~~(4)]~~ (3) All fees paid ~~[and interest accrued on funds  
collected]~~ pursuant to this section shall be deposited into the  
~~[human trafficking victim services]~~ general fund.

~~(5)]~~ (4) When a defendant is ordered to make payments in  
addition to the human trafficking victim services fee authorized  
under subsection (2), payments by the defendant shall be made  
pursuant to section 706-651.

~~(6)]~~ (5) The department of labor and industrial relations  
shall submit to the legislature no later than twenty days prior  
to the convening of each regular session a written annual report  
that provides the following:



1 (a) An accounting of the receipts of and expenditures from  
2 the human trafficking victim services fund; and

3 (b) Any recommendations to improve support of and services  
4 to victims of labor trafficking crimes under part VIII  
5 of chapter 707, or victims of trafficking related to  
6 crimes under part I of chapter 712."

7 SECTION 36. Section 396-20, Hawaii Revised Statutes, is  
8 repealed.

9 [~~"§396-20 Hoisting machine operators' certification~~  
10 ~~revolving fund.~~ (a) ~~There is established in the state treasury~~  
11 ~~a revolving fund to be known as the hoisting machine operators'~~  
12 ~~certification revolving fund into which shall be deposited all~~  
13 ~~fees, penalties, fines, and interest collected from:~~

14 ~~(1) Certification of hoisting machine operators;~~

15 ~~(2) Interest and investment moneys earned on any moneys in~~  
16 ~~the fund; and~~

17 ~~(3) All moneys received for the fund from any source.~~

18 ~~The moneys in the fund may be used to carry out the purposes of~~  
19 ~~this section. The director of finance shall disburse the moneys~~  
20 ~~in the fund in accordance with instructions from the director.~~

21 ~~(b) The fund may be used for:~~





- ~~(1) Personnel and operating expenses, including  
consultants as necessary, for the hoisting machine  
operators advisory board;~~
- ~~(2) All necessary board costs and reimbursements;~~
- ~~(3) Preparation and dissemination of public information on  
hoisting machine operators' certification and  
training;~~
- ~~(4) Preparation of annual reports on certification program  
activities and accomplishments and on the fund; and~~
- ~~(5) Any reimbursements to the state general fund for funds  
appropriated by the legislature to establish the  
revolving fund.~~

~~(c) The director shall submit an annual report to the  
legislature on the status of the fund, including expenditures  
and program results, not less than twenty days prior to the  
convening of each regular session." ]~~

SECTION 37. The following funds (account code) are  
abolished:

- (1) Office of community services (S-338-L); and
- (2) Placement services (employment & trng) (S-318-L),



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

3 PART X. DEPARTMENT OF LAND AND NATURAL RESOURCES

4 SECTION 38. The following funds (account code) are  
5 abolished:

- 6 (1) Conservation & resources enforcement (S-302-C);
- 7 (2) Native resources & fire protection pgm (S-314-C);
- 8 (3) Public land trust inventory & info sys (S-315-C);
- 9 (4) Ecosystem protection and restoration (S-341-C);
- 10 (5) Iucn - sldf (S-371-C);
- 11 (6) Hawaii historic preservation special fnd (S-373-C);
- 12 and
- 13 (7) County lifeguard services spec fd (S-376-C),

14 and any unencumbered balances shall lapse to the credit of the  
15 general fund.

16 PART XI. DEPARTMENT OF THE ATTORNEY GENERAL

17 SECTION 39. The following funds (account code) are  
18 abolished:

- 19 (1) Legal services (S-302-N);
- 20 (2) Sex assault response, train & kit test (S-308-N);
- 21 (3) Medicaid investigations recovery fund (S-328-N);



1 (4) Collective bargaining (S-365-N); and  
2 (5) Legislative relief for claims - dot (S-399-N),  
3 and the unencumbered balances shall lapse to the credit of the  
4 general fund.

5 PART XII. DEPARTMENT OF PUBLIC SAFETY

6 SECTION 40. The drug law enforcement equipment procurement  
7 fund (T-905-V1) is abolished and the unencumbered balance shall  
8 lapse to the credit of the general fund.

9 PART XIII. DEPARTMENT OF TRANSPORTATION

10 SECTION 41. The following funds (account code) are  
11 abolished:

12 (1) Kewalo basin (S-053-D);  
13 (2) Barbers point harbor (S-054-D);  
14 (3) Water transportation fac & svcs support (S-055-D);  
15 (4) Kona international airport (S-066-D);  
16 (5) Legis claims against the state-airports (S-395-D); and  
17 (6) Legis claims against the state-hwy (S-396-D),  
18 and the unencumbered balances shall lapse to the credit of the  
19 general fund.



## 1 PART XIV. UNIVERSITY OF HAWAII

2 SECTION 42. The following funds (account code) are  
3 abolished:

4 (1) Grant for the bridge-to-hope program (S-320-F); and

5 (2) Legislative relief for claims - UH (S-399-F),

6 and the unencumbered balances shall lapse to the credit of the  
7 general fund.

8 PART XV. AUDITOR'S REPORT NO. 20-01, DEPARTMENT OF BUSINESS,  
9 ECONOMIC DEVELOPMENT, AND TOURISM

10 SECTION 43. The purpose of this part is to reclassify,  
11 repeal, or abolish various non-general funds, including  
12 accounts of the department of business, economic development,  
13 and tourism pursuant to the recommendations made by the auditor  
14 in auditor's report no. 20-01 and to transfer the unencumbered  
15 balances to the general fund.

16 SECTION 44. Section 206E-6, Hawaii Revised Statutes, is  
17 amended by amending subsection (g) to read as follows:

18 "(g) All sums collected under this section shall be  
19 deposited in the Hawaii community development [~~revolving~~]  
20 special fund established by section 206E-16; except that  
21 notwithstanding section 206E-16, all moneys collected on account



1 of assessments and interest thereon for any specific public  
2 facilities financed by the issuance of bonds shall be set apart  
3 in a separate special fund and applied solely to the payment of  
4 the principal and interest on these bonds, the cost of  
5 administering, operating, and maintaining the program, the  
6 establishment of reserves, and other purposes as may be  
7 authorized in the proceedings providing for the issuance of the  
8 bonds. If any surplus remains in any special fund after the  
9 payment of the bonds chargeable against ~~[such]~~ that fund, it  
10 shall be credited to and become a part of the Hawaii community  
11 development ~~[revolving]~~ special fund. Moneys in the Hawaii  
12 community development ~~[revolving]~~ special fund may be used to  
13 make up any deficiencies in the special fund."

14 SECTION 45. Section 206E-16, Hawaii Revised Statutes, is  
15 amended to read as follows:

16 " ~~[+]~~ **§206E-16** ~~[+]~~ **Hawaii community development ~~[revolving]~~**  
17 **special fund.** There is created the Hawaii community development  
18 ~~[revolving]~~ special fund into which all receipts and revenues of  
19 the authority shall be deposited. Proceeds from the fund shall  
20 be used for the purposes of this chapter."



SECTION 46. Section 206E-16.5, Hawaii Revised Statutes, is amended to read as follows:

"~~[§]206E-16.5[§]~~ **Expenditures of ~~[revolving]~~ special funds under the authority exempt from appropriation and allotment.** Except as to administrative expenditures, and except as otherwise provided by law, expenditures from any ~~[revolving]~~ special fund administered by the authority may be made by the authority without appropriation or allotment of the legislature; provided that no expenditure shall be made from and no obligation shall be incurred against any ~~[revolving]~~ special fund in excess of the amount standing to the credit of the fund or for any purpose for which the fund may not lawfully be expended. Nothing in sections 37-31 to 37-41 shall require the proceeds of any ~~[revolving]~~ special fund administered by the authority to be reappropriated annually."

SECTION 47. Section 206E-184, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) In addition to the conditions and terms set forth in this part, any special facility lease entered into by the authority shall at least contain provisions obligating the other person to the special facility lease:



1       (1) To pay to the authority during the initial term of the  
2       special facility lease, whether the special facility  
3       is capable of being used or occupied or is being used  
4       or occupied by the other person, a rental or rentals  
5       at the time or times and in the amount or amounts that  
6       will be sufficient:

7       (A) To pay the principal and interest on all special  
8       facility revenue bonds issued for the special  
9       facility;

10      (B) To establish or maintain any reserves for these  
11      payments; and

12      (C) To pay all fees and expenses of the trustees,  
13      paying agents, transfer agents, and other fiscal  
14      agents for the special facility revenue bonds  
15      issued for the special facility;

16      (2) To pay to the authority:

17      (A) A ground rental, as determined by the authority,  
18      if the land on which the special facility is  
19      located was not acquired from the proceeds of the  
20      special facility revenue bonds; or



1 (B) A properly allocable share of the administrative  
2 costs of the authority in carrying out the  
3 special facility lease and administering the  
4 special facility revenue bonds issued for the  
5 special facility, if the land was acquired from  
6 the proceeds of the special facility revenue  
7 bonds;

8 (3) To either operate, maintain, and repair the special  
9 facility and pay the costs thereof or to pay to the  
10 authority all costs of operation, maintenance, and  
11 repair of the special facility;

12 (4) To:

13 (A) Insure, or cause to be insured, the special  
14 facility under builder's risk insurance (or  
15 similar insurance) in the amount of the cost of  
16 construction of the special facility to be  
17 financed from the proceeds of the special  
18 facility revenue bonds;

19 (B) Procure and maintain, or cause to be procured or  
20 maintained, to the extent commercially available,  
21 a comprehensive insurance policy providing





1 protection and insuring the authority and its  
2 officers, agents, servants, and employees (and so  
3 long as special facility revenue bonds are  
4 outstanding, the trustee) against all direct or  
5 contingent loss or liability for damages for  
6 personal injury or death or damage to property,  
7 including loss of use thereof, occurring on or in  
8 any way related to the special facility or  
9 occasioned by reason of occupancy by and the  
10 operations of the other person upon, in, and  
11 around the special facility;

12 (C) Provide all risk casualty insurance, including  
13 insurance against loss or damage by fire,  
14 lightning, flood, earthquake, typhoon, or  
15 hurricane, with standard extended coverage and  
16 standard vandalism and other malicious mischief  
17 endorsements; and

18 (D) Provide insurance for workers' compensation and  
19 employer's liability for personal injury or death  
20 or damage to property (the other party may self-



1           insure for workers' compensation if permitted by  
2           law);

3           provided that all policies with respect to loss or  
4           damage of property including fire or other casualty  
5           and extended coverage and builder's risk shall provide  
6           for payments of the losses to the authority, the other  
7           person, or the trustee as their respective interests  
8           may appear; and provided further that the insurance  
9           may be procured and maintained as part of or in  
10          conjunction with other policies carried by the other  
11          person; and provided further that the insurance shall  
12          name the authority, and so long as any special  
13          facility revenue bonds are outstanding, the trustee,  
14          as additional insured; and

15       (5) To indemnify, save, and hold the authority, the  
16       trustee and their respective agents, officers,  
17       members, and employees harmless from and against all  
18       claims and actions and all costs and expenses  
19       incidental to the investigation and defense thereof,  
20       by or on behalf of any person, firm, or corporation,  
21       based upon or arising out of the special facility or



1 the other person's use and occupancy thereof,  
2 including, without limitation, from and against all  
3 claims and actions based upon and arising from any:

4 (A) Condition of the special facility;

5 (B) Breach or default on the part of the other person  
6 in the performance of any of the person's  
7 obligations under the special facility lease;

8 (C) Fault or act of negligence of the other person or  
9 the person's agents, contractors, servants,  
10 employees, or licensees; or

11 (D) Accident to, or injury or death of, any person or  
12 loss of, or damage to any property occurring in  
13 or about the special facility, including any  
14 claims or actions based upon or arising by reason  
15 of the negligence or any act of the other person.

16 Any moneys received by the authority pursuant to paragraphs  
17 (2) and (3) shall be paid into the Hawaii community development  
18 [~~revolving~~] special fund and shall not be nor be deemed to be  
19 revenues of the special facility."

20 SECTION 48. Section 206E-185, Hawaii Revised Statutes, is  
21 amended to read as follows:



1       **"§206E-185 Special facility revenue bonds.** All special  
2 facility revenue bonds authorized to be issued in principal  
3 amounts not to exceed the total amount of bonds authorized by  
4 the legislature shall be issued pursuant to part III of  
5 chapter 39, except as follows:

6       (1) No revenue bonds shall be issued unless at the time of  
7 issuance the authority shall have entered into a  
8 special facility lease with respect to the special  
9 facility for which the revenue bonds are to be issued;

10       (2) The revenue bonds shall be issued in the name of the  
11 authority, and not in the name of the State;

12       (3) The revenue bonds shall be payable solely from and  
13 secured solely by the revenues derived by the  
14 authority from the special facility for which they are  
15 issued;

16       (4) The final maturity date of the revenue bonds shall not  
17 be later than either the estimated life of the special  
18 facility for which they are issued or the initial term  
19 of the special facility lease;

20       (5) If deemed necessary or advisable by the authority, or  
21 to permit the obligations of the other person to the



1 special facility lease to be registered under the U.S.  
2 Securities Act of 1933, the authority, with the  
3 approval of the director of finance, may appoint a  
4 national or state bank within or without the State to  
5 serve as trustee for the holders of the revenue bonds  
6 and may enter into a trust indenture or trust  
7 agreement with the trustee. The trustee may be  
8 authorized by the authority to collect, hold, and  
9 administer the revenues derived from the special  
10 facility for which the revenue bonds are issued and to  
11 apply the revenues to the payment of the principal and  
12 interest on the revenue bonds. If any trustee shall  
13 be appointed, any trust indenture or agreement entered  
14 into by the authority with the trustee may contain the  
15 covenants and provisions authorized by part III of  
16 chapter 39 to be inserted in a resolution adopted or  
17 certificate issued, as though the words "resolution"  
18 or "certificate" as used in that part read "trust  
19 indenture or agreement". The covenants and provisions  
20 shall not be required to be included in the resolution  
21 or certificate authorizing the issuance of the revenue



1 bonds if included in the trust agreement or indenture.

2 Any resolution or certificate, trust indenture, or  
3 trust agreement adopted, issued, or entered into by  
4 the authority pursuant to this part may also contain  
5 any provisions required for the qualification thereof  
6 under the U.S. Trust Indenture Act of 1939. The  
7 authority may pledge and assign to the trustee the  
8 special facility lease and the rights of the authority  
9 including the revenues thereunder;

10 (6) If the authority, with the approval of the director of  
11 finance, shall have appointed or shall appoint a  
12 trustee for the holders of the revenue bonds, then  
13 notwithstanding the provisions of the second sentence  
14 of section 39-68, the director of finance may elect  
15 not to serve as fiscal agent for the payment of the  
16 principal and interest, and for the purchase,  
17 registration, transfer, exchange, and redemption, of  
18 the revenue bonds, or may elect to limit the functions  
19 the director of finance shall perform as the fiscal  
20 agent. The authority, with the approval of the  
21 director of finance, may appoint the trustee to serve



1 as the fiscal agent, and may authorize and empower the  
2 trustee to perform the functions with respect to  
3 payment, purchase, registration, transfer, exchange,  
4 and redemption, that the authority may deem necessary,  
5 advisable, or expedient, including, without  
6 limitation, the holding of the revenue bonds and  
7 coupons which have been paid and the supervision and  
8 conduction of the destruction thereof in accordance  
9 with sections 40-10 and 40-11. Nothing in this  
10 paragraph shall be a limitation upon or construed as a  
11 limitation upon the powers granted in the preceding  
12 paragraph to the authority, with the approval of the  
13 director of finance, to appoint the trustee, or  
14 granted in sections 36-3 and 39-13 and the third  
15 sentence of section 39-68 to the director of finance  
16 to appoint the trustee or others, as fiscal agents,  
17 paying agents, and registrars for the revenue bonds or  
18 to authorize and empower the fiscal agents, paying  
19 agents, and registrars to perform the functions  
20 referred to in that paragraph and sections, it being  
21 the intent of this paragraph to confirm that the



1 director of finance as aforesaid may elect not to  
2 serve as fiscal agent for the revenue bonds or may  
3 elect to limit the functions the director of finance  
4 shall perform as the fiscal agent, that the director  
5 of finance may deem necessary, advisable, or  
6 expedient;

7 (7) The authority may sell the revenue bonds either at  
8 public or private sale;

9 (8) If no trustee shall be appointed to collect, hold, and  
10 administer the revenues derived from the special  
11 facility for which the revenue bonds are issued, the  
12 revenues shall be held in a separate account in the  
13 treasury of the State, separate and apart from the  
14 Hawaii community development [~~revolving~~] special fund,  
15 to be applied solely to the carrying out of the  
16 resolution, certificate, trust indenture, or trust  
17 agreement authorizing or securing the revenue bonds;

18 (9) If the resolution, certificate, trust indenture, or  
19 trust agreement shall provide that no revenue bonds  
20 issued thereunder shall be valid or obligatory for any  
21 purpose unless certified or authenticated by the





1 trustee for the holders of the revenue bonds,  
2 signatures of the officers of the State upon the bonds  
3 required by section 39-56 may be facsimiles of their  
4 signatures;

5 (10) Proceeds of the revenue bonds may be used and applied  
6 by the authority to reimburse the other person to the  
7 special facility lease for all preliminary costs and  
8 expenses, including architectural and legal costs; and

9 (11) If the special facility lease shall require the other  
10 person to operate, maintain, and repair the special  
11 facility which is the subject of the lease, at the  
12 other person's expense, the requirement shall  
13 constitute compliance by the authority with  
14 section 39-61(a)(2), and none of the revenues derived  
15 by the authority from the special facility shall be  
16 required to be applied to the purposes of  
17 section 39-62(2). Sections 39-62(4), 39-62(5), and  
18 39-62(6) shall not apply to the revenues derived from  
19 a special facility lease."



SECTION 49. Section 206E-195, Hawaii Revised Statutes, is amended by amending its title and subsections (a) and (b) to read as follows:

"~~[+]~~**\$206E-195**~~[+]~~ **Kalaeloa community development**  
~~[revolving]~~ **special fund.** (a) There is established in the state treasury the Kalaeloa community development ~~[revolving]~~ **special** fund, into which shall be deposited:

- (1) All revenues, income, and receipts of the authority for the Kalaeloa community development district, notwithstanding any other law to the contrary, including section 206E-16;
- (2) Moneys directed, allocated, or disbursed to the Kalaeloa community development district from government agencies or private individuals or organizations, including grants, gifts, awards, donations, and assessments of landowners for costs to administer and operate the Kalaeloa community development district; and
- (3) Moneys appropriated to the fund by the legislature.



1 (b) Moneys in the Kalaeloa community development  
2 ~~[revolving]~~ special fund shall be used for the purposes of this  
3 part."

4 SECTION 50. Section 206E-201, Hawaii Revised Statutes, is  
5 amended by amending the definition of "fund" to read as follows:

6 "Fund" means the Heeia community development ~~[revolving]~~  
7 special fund."

8 SECTION 51. Section 206E-204, Hawaii Revised Statutes, is  
9 amended by amending its title and subsection (a) to read as  
10 follows:

11 "[~~+~~]**\$206E-204**[~~+~~] **Heeia community development** ~~[revolving]~~  
12 special fund. (a) There is established in the state treasury  
13 the Heeia community development ~~[revolving]~~ special fund, into  
14 which shall be deposited:

15 (1) All revenues, income, and receipts of the authority  
16 for the district, notwithstanding any other law to the  
17 contrary, including section 206E-16;

18 (2) Moneys directed, allocated, or disbursed to the  
19 district from government agencies or private  
20 individuals or organizations, including grants, gifts,



1 awards, donations, and assessments of landowners for  
2 costs to administer and operate the district; and

3 (3) Moneys appropriated to the fund by the legislature."

4 SECTION 52. Section 206M-15.2, Hawaii Revised Statutes, is  
5 amended by amending subsection (b) to read as follows:

6 "(b) Subject to available funds, the research and  
7 development program shall:

8 (1) Apply [~~the research and development special fund~~]  
9 funds to support product development, technology  
10 transfer, and commercialization;

11 (2) Provide capital to support accelerated  
12 commercialization activities for qualified Hawaii-  
13 based small businesses;

14 (3) Provide capital to sustain high-potential  
15 infrastructure development to assist qualified Hawaii-  
16 based small businesses towards commercial success;

17 (4) Promote efforts that reverse the loss of qualified  
18 workers to other states by providing jobs to retain  
19 existing Hawaii technology employees and enable highly  
20 qualified scientists and engineers to return to  
21 living-wage jobs in Hawaii;



- (5) Promote efforts that keep technology companies in Hawaii by limiting the need to seek out-of-state venture capital, which dilutes local ownership and increases the probability of high-potential technology companies moving from Hawaii; and
- (6) Provide grants of up to \$300,000 for critical product development that enables a qualified Hawaii-based small business to achieve significant product development and technical milestones."

SECTION 53. Section 210D-4, Hawaii Revised Statutes, is amended to read as follows:

**"§210D-4 Hawaii community-based economic development**  
**[~~revolving~~] special fund; established.** There is established a  
**[~~revolving~~] special fund** to be known as the Hawaii community-based economic development **[~~revolving~~] special fund** from which moneys shall be loaned or granted by the department under this chapter. All moneys appropriated to the fund by the legislature, received as repayments of loans, payments of interest or fees, and all other moneys received by the fund from any other source shall be deposited into the **[~~revolving~~] special fund** and used for the purposes of this chapter. The department



1 may deposit moneys it receives from the repayments of loans and  
2 payments of interest or fees from the Hawaii capital loan  
3 program established by chapter 210, the Hawaii large fishing  
4 vessel purchase, construction, renovation, maintenance, and  
5 repair loan program established by part II of chapter 189, and  
6 the Hawaii small fishing vessel loan program established by  
7 part IV of chapter 189, into the Hawaii community-based economic  
8 development [~~revolving~~] special fund to be used for the purposes  
9 of this chapter. The department may use all appropriations and  
10 other moneys in the [~~revolving~~] special fund not appropriated  
11 for a designated purpose to make grants or loans."

12 SECTION 54. Section 210D-8, Hawaii Revised Statutes, is  
13 amended to read as follows:

14 "**§210D-8 Powers and duties.** The department shall have the  
15 necessary powers to carry out the purposes of this chapter,  
16 including the following:

17 (1) With advice from the council, prescribe the  
18 qualifications for eligibility of applicants for loans  
19 and grants;



- 1           (2) With advice from the council, establish preferences  
2           and priorities in determining eligibility for  
3           financial assistance;
- 4           (3) Establish the conditions, consistent with the purpose  
5           of this chapter, for the awarding of financial  
6           assistance;
- 7           (4) Provide for inspection at reasonable hours of  
8           facilities, books, and records of a community-based  
9           organization that has applied for or has been awarded  
10          financial assistance and require the submission of  
11          progress and final reports;
- 12          (5) Provide loans and grants for community-based economic  
13          development activities and community-based enterprises  
14          for purposes consistent with this chapter;
- 15          (6) Determine the necessity for and the extent of security  
16          required in a loan;
- 17          (7) Prescribe and provide appropriate management  
18          counseling and monitoring of business activities;
- 19          (8) Administer the Hawaii community-based economic  
20          development [~~revolving~~] special fund;



(9) Include in its budget for subsequent fiscal periods amounts necessary to effectuate the purposes of this chapter;

(10) Participate in loans made to qualified persons by private lenders;

(11) Establish interest rates chargeable by the State for direct and participation loans; and

(12) Adopt rules pursuant to chapter 91 to implement this chapter."

SECTION 55. Section 206M-15.3, Hawaii Revised Statutes, is repealed.

~~["§206M-15.3] Research and development special fund, established. There is established in the treasury of the State of Hawaii the research and development special fund to be administered by the development corporation pursuant to section 206M-15.2."]~~

SECTION 56. Section 206M-15.6, Hawaii Revised Statutes, is repealed.

~~["§206M-15.6] Hawaii technology loan revolving fund. There is established the Hawaii technology loan revolving fund for the purpose of investing in technology development in~~





~~Hawaii. The following shall be deposited into the Hawaii  
technology loan revolving fund:~~

~~(1) Appropriations from the legislature;~~

~~(2) Moneys received as repayments of loans;~~

~~(3) Investment earnings;~~

~~(4) Royalties;~~

~~(5) Premiums, or fees or equity charged by the~~

~~corporation, or otherwise received by the corporation;~~

~~and~~

~~(6) Loans that are convertible to equity;~~

~~provided that the total amount of moneys in the fund shall not  
exceed \$2,000,000 at the end of any fiscal year." ]~~

SECTION 57. The Kalaeloa facilities trust account  
administratively established in 2018 is reclassified as a  
special fund.

SECTION 58. The energy audits - recipients' share of cost  
trust account administratively established in 2012 is abolished  
and any unencumbered balance shall lapse to the credit of the  
general fund.



1 PART XVI. AUDITOR'S REPORT NO. 20-18, DEPARTMENT OF COMMERCE

2 AND CONSUMER AFFAIRS

3 SECTION 59. The purpose of this part is to abolish or  
4 reclassify various non-general funds pursuant to the  
5 recommendations by the auditor in auditor's report no. 20-18 and  
6 to transfer the unencumbered balances to other appropriate non-  
7 general funds.

8 SECTION 60. The compliance resolution fund--appraisal  
9 management registration program special fund administratively  
10 established in 2017 is abolished and any remaining unencumbered  
11 balance shall lapse to the credit of the compliance resolution  
12 fund established pursuant to section 26-9(o), Hawaii Revised  
13 Statutes.

14 SECTION 61. The electrical vehicle charging system rebate  
15 program special fund administratively established in 2019 is  
16 abolished and any remaining unencumbered balance shall lapse to  
17 the credit of the public utilities commission special fund  
18 established pursuant to section 269-33, Hawaii Revised Statutes.

19 SECTION 62. The service contract provider's financial  
20 security deposit trust account is reclassified as a trust fund.



1 PART XVII. AUDITOR'S REPORT NO. 20-16, DEPARTMENT OF HAWAIIAN  
2 HOME LANDS

3 SECTION 63. The legislature finds that section 213(g) of  
4 the Hawaiian Homes Commission Act established the Hawaiian home  
5 receipts fund but did not specify whether the fund should be  
6 classified as a special fund, revolving fund, trust fund, or  
7 trust account. The department of Hawaiian home lands has  
8 classified the fund as a trust fund. However, the auditor, in  
9 auditor report no. 20-16, found that the fund does not meet all  
10 the criteria for a trust fund because it functions more like a  
11 trust account. Accordingly, the auditor recommended that the  
12 fund should be reclassified as a trust account.

13 The purpose of this part is to reclassify the Hawaiian home  
14 receipts fund as a trust account as recommended by the auditor.

15 SECTION 64. The Hawaiian home receipts fund established  
16 pursuant to the section 213(g) of the Hawaiian Homes Commission  
17 Act, 1920, as amended, is reclassified as a trust account.

18 PART XVIII. AUDITOR'S REPORT NO. 20-17, JUDICIARY

19 SECTION 65. The purpose of this part is to:

- 20 (1) Repeal the probation services special fund; and  
21 (2) Reclassify the supreme court bar examination fund,



1 as recommended by the auditor in auditor report no. 20-17.

2 SECTION 66. Section 353B-6, Hawaii Revised Statutes, is  
3 amended to read as follows:

4 "**§353B-6 Interstate transfer fee.** The judiciary may  
5 assess a fee not to exceed \$200 for each application made by a  
6 parolee or probationer for a transfer out of the State[+  
7 ~~provided that the fees collected shall be deposited into the~~  
8 ~~probation services special fund established in section~~  
9 ~~706-649]."~~

10 SECTION 67. Section 706-648, Hawaii Revised Statutes, is  
11 amended by amending subsection (4) to read as follows:

12 "(4) The defendant shall pay the fee to the clerk of the  
13 court. [~~The fee shall be deposited with the director of finance~~  
14 ~~who shall transmit the fee to the probation services special~~  
15 ~~fund pursuant to section 706-649.]"~~

16 SECTION 68. Section 706-649, Hawaii Revised Statutes, is  
17 repealed.

18 [~~"§706-649 Probation services special fund. (1) There is~~  
19 ~~established in the state treasury a special fund to be known as~~  
20 ~~the probation services special fund. All probation services~~



~~fees collected under section 706 648 shall be deposited into  
this fund.~~

~~(2) Moneys in the probation services special fund shall be  
used by the judiciary to:~~

~~(a) Monitor and enforce compliance with the terms and  
conditions of probation and other supervision programs  
for defendants; and~~

~~(b) Support other duties and activities related to the  
supervision of defendants." ]~~

SECTION 69. The supreme court bar examination fund  
administratively established in 1994 is reclassified as a  
special fund.

PART XIX. AUDITOR'S REPORT NO. 20-03, UNIVERSITY OF HAWAII

SECTION 70. The purpose of this part is to:

(1) Repeal or reclassify certain non-general funds of the  
University of Hawaii pursuant to the recommendations  
of the auditor in auditor's report no. 20-03; and

(2) Transfer authority to the chancellor of the University  
of Hawaii at Hilo to expend funds from the conference  
center revolving fund.



SECTION 71. Chapter 304A, Hawaii Revised Statutes, is amended by adding a new section to part V, subpart D, to be appropriately designated and to read as follows:

**"§304A- Community colleges revolving fund. (a)**

Section 304A-2003 notwithstanding, there is established a community colleges revolving fund to receive, disburse, and account for funds of programs and activities of the community colleges, including but not limited to off-campus programs, summer session programs, overseas programs, evening sessions, study abroad, exchange programs, cultural enrichment programs, and consultative services that help make available the resources of the community colleges to the communities they serve.

(b) The revolving fund may include deposits from:

(1) The University of Hawaii tuition and fees special fund established in section 304A-2153;

(2) Tuition, fees, and charges for affiliated instructional, training, and public service courses and programs; and

(3) Fees, fines, and other money collected for:

(A) Student health;

(B) Transcript and diploma;



- 1            (C) Library;  
2            (D) Facility use;  
3            (E) Child care;  
4            (F) Auxiliary enterprises;  
5            (G) Alumni; and  
6            (H) Other related activities."

7            SECTION 72. Section 304A-2272, Hawaii Revised Statutes, is  
8 amended to read as follows:

9            "~~[f]§304A-2272[f]~~ **Conference center revolving fund;**

10 **University of Hawaii at Hilo.** (a) There is established the  
11 conference center revolving fund for ~~[the]~~ conference center  
12 ~~[program in the college of continuing education and community~~  
13 ~~service of]~~ programs conducted by the University of Hawaii at  
14 Hilo. All fees, charges, and other moneys collected in  
15 conjunction with the conference center ~~[program]~~ programs shall  
16 be deposited in the revolving fund. The ~~[dean of the college of~~  
17 ~~continuing education and community service]~~ chancellor of the  
18 University of Hawaii at Hilo or the chancellor's designee is  
19 authorized to expend funds from the revolving fund for all costs  
20 associated with conducting conferences, seminars, and courses by  
21 the conference center ~~[program,]~~ programs, including but not



1 limited to expenses for honoraria, hotel and room rentals, food  
2 and refreshment, printing and mailing, airfare and per diem,  
3 ~~[leis,]~~ lei, rental of audiovisual equipment, and conference  
4 supplies and materials.

5 (b) The chancellor of the University of Hawaii at Hilo  
6 shall submit a report to the legislature no later than twenty  
7 days prior to the convening of each regular session accounting  
8 for all income generated by and expenditures made from the  
9 revolving fund."

10 SECTION 73. Section 304A-2156, Hawaii Revised Statutes, is  
11 repealed.

12 ~~["~~[§304A-2156] University of Hawaii community services~~~~  
13 ~~special fund.~~ (a) ~~There is established the University of~~  
14 ~~Hawaii community services special fund. Except as otherwise~~  
15 ~~provided by law, all revenues, including interest, derived and~~  
16 ~~collected from the university's provision of public service~~  
17 ~~programs shall be deposited into the University of Hawaii~~  
18 ~~community services special fund. The university may establish~~  
19 ~~and collect fees and charges for public service programs. All~~  
20 ~~revenues deposited into the University of Hawaii community~~  
21 ~~services special fund shall be used exclusively for the costs of~~





~~providing public service programs. The university may establish accounts under the community services special fund to facilitate the administration of this fund among the various campuses and operating units of the University of Hawaii system. All expenditures from this fund shall be subject to legislative appropriation.~~

~~(b) As used in this section, "public service programs" means:~~

~~(1) Noncredit educational programs in professional development and training, personal growth, and cultural enrichment; and~~

~~(2) Cooperative extension and consultative services." ]~~

SECTION 74. Section 304A-2162, Hawaii Revised Statutes, is repealed.

~~[ "~~**{304A-2162}**~~ Community colleges special fund. (a) Section ~~[304A-2003]~~ notwithstanding, there is established a community colleges special fund to receive, disburse, and account for funds of programs and activities of the community colleges, including but not limited to off-campus programs, summer session programs, overseas programs, evening sessions, study abroad, exchange programs, cultural enrichment programs,~~



~~and consultative services that help make available the resources  
of the community colleges to the communities they serve.~~

~~(b) The special fund may include deposits from:~~

~~(1) The University of Hawaii tuition and fees special fund  
established in section [304A-2153],~~

~~(2) Tuition, fees, and charges for affiliated  
instructional, training, and public service courses  
and programs; and~~

~~(3) Fees, fines, and other money collected for:~~

~~(A) Student health;~~

~~(B) Transcript and diploma;~~

~~(C) Library;~~

~~(D) Facility use;~~

~~(E) Child care;~~

~~(F) Auxiliary enterprises;~~

~~(G) Alumni; and~~

~~(H) Other related activities." ]~~

SECTION 75. Section 304A-2277, Hawaii Revised Statutes, is  
repealed.

~~[ "~~§304A-2277~~ Professional student exchange program  
revolving fund. (a) There is established a professional~~



~~student exchange program revolving fund to be administered and  
expended by the Hawaii commission.~~

~~(b) The following moneys shall be deposited into the  
revolving fund:~~

~~(1) Principal and interest payments received as repayment  
of financial support from former or current  
participants of the professional student exchange  
program, pursuant to section 304A-3209; and~~

~~(2) Interest earned or accrued on moneys in the revolving  
fund.~~

~~(c) Moneys in the revolving fund shall be expended to:~~

~~(1) Support the professional student exchange program's  
activities, including the provision of financial  
support to participants at Western Interstate  
Commission for Higher Education receiver institutions;  
and~~

~~(2) Enforce the collection of delinquent obligations." ]~~

SECTION 76. All unencumbered balances remaining in the  
community colleges special fund repealed by this part shall  
lapse to the credit of the community colleges revolving fund  
established pursuant to this part.



SECTION 77. The university system bond and interest sinking fund revolving fund administratively established in 2002 is reclassified as a trust account.

PART XX. AUDITOR'S REPORT NO. 19-16, DEPARTMENT OF THE ATTORNEY

GENERAL

SECTION 78. The purpose of this part is to reclassify or abolish certain non-general funds of the department of the attorney general pursuant to the recommendations by the auditor in auditor's report no. 19-16 and, for any abolished accounts, transfer the remaining unencumbered balances to the general fund.

SECTION 79. Section 28-16, Hawaii Revised Statutes, is amended to read as follows:

**"[~~§~~28-16] Litigation deposits trust [~~fund-~~] account.**

(a) There is created in the state treasury the litigation deposits trust [~~fund-~~] account. There shall be deposited into this [~~fund~~] account all moneys received through any civil action in which the State is a party where the settlement amount is \$100,000 or higher, except for those actions involving departments able to procure their own legal services as provided for by section 28-8.3 and where no other state statute or court



1 order specifically provides for the deposit of moneys received  
2 through the action.

3 (b) The [~~fund~~] account shall be administered by the  
4 department of the attorney general. The department shall  
5 maintain accounting records of [~~fund~~] account moneys, including  
6 subsidiary records of individual litigation deposits and  
7 disbursements thereof. Moneys in the [~~fund~~] account may be  
8 separated into subsidiary accounts; provided that one subsidiary  
9 account shall not be commingled with moneys from another  
10 subsidiary account except for deposit or investment purposes  
11 under subsection (d).

12 (c) Disbursements from each subsidiary account maintained  
13 under subsection (b) may include attorney's fees and other  
14 necessary expenses that the department determines to be  
15 reasonable and directly related to prosecution of the civil  
16 action for which the subsidiary account is maintained; provided  
17 that in the case of moneys deposited as a result of recoveries  
18 by an agency to which a non-general fund applies, the moneys  
19 shall be held and disbursed intact for deposit to the credit of  
20 the non-general fund. Money deposited in the [~~fund~~] litigation  
21 deposits trust account pursuant to an order of the court shall



1 be disbursed in accordance with the order of the court. Any  
2 residual funds remaining in [~~an~~] a subsidiary account shall be  
3 transferred to the respective non-general or general fund with  
4 which the civil action is associated no later than thirty days  
5 after the civil action for which the subsidiary account is  
6 maintained is closed and all costs of that civil action have  
7 been paid, unless otherwise provided for by statute.

8 (d) Moneys in the [~~fund~~] litigation deposits trust account  
9 may be invested by the department in securities as provided by  
10 section 36-21. Investment earnings shall be deposited in the  
11 general fund.

12 (e) The department shall submit a report to the  
13 legislature no later than twenty days prior to the convening of  
14 each regular session on:

15 (1) The transactions, by subsidiary account, that take  
16 place in the [~~fund~~] litigation deposits trust account  
17 for each fiscal year; and

18 (2) A summary of the collections made in any amount on  
19 behalf of other departments and agencies specifying  
20 the appropriate number of transactions and amount  
21 collected for each department and agency."



1 SECTION 80. Section 456-9, Hawaii Revised Statutes, is  
2 amended by amending subsection (d) to read as follows:

3 "(d) The moneys collected by the attorney general pursuant  
4 to this section shall be deposited into the notaries public  
5 ~~[revolving]~~ special fund established by section 456-9.5, except  
6 that if that fund is terminated, the moneys shall thereafter be  
7 deposited with the director of finance to the credit of the  
8 general fund."

9 SECTION 81. Section 456-9.5, Hawaii Revised Statutes, is  
10 amended to read as follows:

11 "**~~§456-9.5 Notaries public~~ ~~[revolving]~~ special fund.** (a)

12 There is established in the state treasury the notaries public  
13 ~~[revolving]~~ special fund into which shall be deposited:

- 14 (1) All fees, administrative fines, charges, or other  
15 payments received pursuant to section 456-9;  
16 (2) Penalties and fines for violations of section 456-3 or  
17 456-7;  
18 (3) Appropriations made for deposit into the notaries  
19 public ~~[revolving]~~ special fund; and  
20 (4) Interest earned on money in the notaries public  
21 ~~[revolving]~~ special fund.



1 (b) The notaries public [~~revolving~~] special fund shall be  
2 administered by the department of the attorney general.  
3 Notwithstanding any law to the contrary, moneys in the notaries  
4 public [~~revolving~~] special fund shall be used for personnel  
5 costs, the acquisition of equipment, and operating and  
6 administrative costs deemed necessary by the department of the  
7 attorney general to administer this chapter. The moneys in the  
8 fund may also be used to train personnel as the attorney general  
9 deems necessary, and for any other activity related to notaries  
10 public."

11 SECTION 82. Section 456-18, Hawaii Revised Statutes, is  
12 amended to read as follows:

13 "**§456-18 Notaries in government service.** Except as  
14 otherwise provided for by law, the head of every department  
15 (which term as used in this chapter includes any department,  
16 board, commission, bureau, or establishment of the United  
17 States, or of the State, or any political subdivision thereof)  
18 may designate one or more of the head of every department's  
19 subordinates to be a notary public who, upon duly qualifying and  
20 receiving a commission as a notary public in government service,  
21 shall perform, without charge, the services of a notary public





1 in all matters of business pertaining to the State, any  
2 political subdivision thereof, or the United States.

3 Any provision of this chapter to the contrary  
4 notwithstanding, a subordinate so designated and thus qualified  
5 and commissioned as a notary public in government service shall:

6 (1) Be authorized to perform the duties of a notary public  
7 in one or more of the judicial circuits of the State  
8 as the attorney general shall designate;

9 (2) Not be required to:

10 (A) Pay any fee to the clerk of any circuit court for  
11 filing a copy of the notary's commission;

12 (B) Pay any fee to the attorney general for the  
13 issuance of the notary's commission or the  
14 renewal thereof; or

15 (C) Furnish and file an official bond unless that  
16 bond is required by the head of the department in  
17 which the notary is a subordinate, in which  
18 event, the expense of furnishing any such bond  
19 shall be borne by the department concerned; and

20 (3) Not demand or receive any fee for the notary's service  
21 as a notary public; provided that where the occasion,



1 in the judgment of the head of the department, is  
2 deemed one of urgent necessity and convenience, the  
3 notary may, but shall not be compelled to, administer  
4 oaths or take acknowledgments in nongovernmental  
5 matters, for which services the prescribed fees shall  
6 be demanded and received as governmental realizations  
7 and covered into the notaries public [~~revolving~~]  
8 special fund established by section 456-9.5, except  
9 that if that fund is terminated, the fees shall  
10 thereafter be deposited into the general fund of the  
11 State; provided further that with the prior written  
12 approval of the attorney general, the notary public,  
13 upon paying the fees prescribed by law and upon  
14 executing, depositing, and filing at the notary's own  
15 expense, the required official bond, may demand or  
16 receive the fees prescribed by law for services  
17 rendered by the notary in matters not pertaining to  
18 such public business."

19 SECTION 83. Section 712A-16, Hawaii Revised Statutes, is  
20 amended by amending subsection (4) to read as follows:



1       "(4) There is established in the department of the  
2 attorney general a [~~revolving~~] special fund to be known as the  
3 criminal forfeiture fund, hereinafter referred to as the "fund"  
4 in which shall be deposited one-half of the proceeds of a  
5 forfeiture and any penalties paid pursuant to section  
6 712A-10(6). All moneys in the fund shall be expended by the  
7 attorney general and are appropriated for the following  
8 purposes:

9       (a) The payment of any expenses necessary to seize,  
10       detain, appraise, inventory, safeguard, maintain,  
11       advertise, or sell property seized, detained, or  
12       forfeited pursuant to this chapter or of any other  
13       necessary expenses incident to the seizure, detention,  
14       or forfeiture of such property and such contract  
15       services and payments to reimburse any federal, state,  
16       or county agency for any expenditures made to perform  
17       the foregoing functions;

18       (b) The payment of awards for information or assistance  
19       leading to a civil or criminal proceeding;

20       (c) The payment of supplemental sums to state and county  
21       agencies for law enforcement purposes;



1 (d) The payment of expenses arising in connection with  
2 programs for training and education of law enforcement  
3 officers;

4 (e) The payment of expenses arising in connection with  
5 enforcement pursuant to the drug nuisance abatement  
6 unit in the department of the attorney general; and

7 (f) The payment of expenses arising in connection with the  
8 law enforcement officer independent review board in  
9 the department of the attorney general."

10 SECTION 84. The Hawaii criminal justice commission trust  
11 account established in 1985 pursuant to the authority granted by  
12 section 28-10.6(a)(5), Hawaii Revised Statutes, is abolished and  
13 any remaining unencumbered balance shall lapse to the credit of  
14 the general fund.

15 SECTION 85. The national mortgage settlement trust account  
16 administratively established in 2012 is abolished and any  
17 remaining unencumbered balance shall lapse to the credit of the  
18 general fund.



PART XXI. AUDITOR'S REPORT NO. 19-05, DEPARTMENT OF  
TRANSPORTATION

SECTION 86. The purpose and intent of this part is to  
repeal or reclassify certain non-general funds and accounts of  
the department of transportation pursuant to the recommendations  
or commentary by the auditor in auditor's report no. 19-05 and  
the accompanying summary and to transfer the unencumbered  
balances to the general fund.

SECTION 87. Section 264-16, Hawaii Revised Statutes, is  
amended to read as follows:

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

The director of transportation may, from time to time, make  
advances to the clearing accounts or clearing trust accounts  
from the state highway fund or from any moneys appropriated or  
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 88. Section 291C-3, Hawaii Revised Statutes, is  
10 amended by amending subsection (d) to read as follows:

11 "(d) ~~[The director of transportation, through the safe~~  
12 ~~routes to school program coordinator and in consultation with~~  
13 ~~county safe routes to school program coordinators, shall develop~~  
14 ~~a mechanism to provide funds to county safe routes to school~~  
15 ~~programs from the safe routes to school program special fund~~  
16 ~~established under section 291C-4]~~ The legislature shall  
17 appropriate funds from the safe routes to school program special  
18 fund to the counties to be used for the implementation of county  
19 safe routes to school program projects. No later than twenty  
20 days prior to the convening of each regular session, each county  
21 shall submit to the legislature an annual report on the status



1 and progress of its county safe routes to school program,  
2 including an accounting of all grants provided through the  
3 program and a timeline for future grant awards."

4 SECTION 89. Section 291C-4, Hawaii Revised Statutes, is  
5 amended to read as follows:

6 "[~~+~~]**\$291C-4**[~~+~~] **Safe routes to school program special fund;**  
7 **establishment.** [~~a~~] There is established in the state  
8 treasury the safe routes to school program special fund, into  
9 which shall be deposited:

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

12 (2) Safe routes to school program surcharges collected in  
13 accordance with sections 291-16 and 291C-5.

14 ~~[Moneys in the fund shall be distributed by the director of~~  
15 ~~transportation to the respective counties to expend.~~

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



SECTION 90. Section 264-19, Hawaii Revised Statutes, is repealed.

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

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

~~(1) When such projects:~~

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

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

~~(2) When the director determines that funds previously authorized for the aforementioned projects are inadequate or any delay in the completion of such~~





1 ~~projects would unnecessarily increase their cost or~~  
2 ~~intensify undesirable transportation conditions.~~

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

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

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

19 ~~(e) The department of transportation shall prepare and~~  
20 ~~submit an annual report to the legislature on the use of the~~



1 ~~transportation improvement special fund which shall include, but~~  
2 ~~not be limited to:~~

3       ~~(1) The [special] fund balance and the expenses made from~~  
4           ~~the [special] fund for the immediately preceding~~  
5           ~~fiscal year; and~~

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

8       ~~This report shall be submitted to the legislature no later~~  
9 ~~than twenty days prior to the convening of each legislative~~  
10 ~~session.~~

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

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

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

16       ~~"Special fund" means the transportation improvement special~~  
17 ~~fund." ]~~

18       SECTION 91. The following revolving funds of the  
19 department of transportation airports division are reclassified  
20 as trust accounts:



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

18 SECTION 92. The following revolving funds of the  
19 department of transportation harbors division are reclassified  
20 as trust accounts:



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

11       SECTION 93.   The risk management fire and casualty losses -  
12   harbors trust fund administratively created in 2006 is abolished  
13   and any remaining unencumbered balances shall lapse to the  
14   credit of the general fund.

15       SECTION 94.   The following revolving funds of the  
16   department of transportation highways division are reclassified  
17   as trust accounts:

- 18       (1)   The highway senior interest account revolving fund  
19            administratively created in 1994;  
20       (2)   The highway senior principal account revolving fund  
21            administratively created in 1994; and



1           (3)   The highways accrued payroll overhead revolving fund  
2                   administratively created in 1983.

3           SECTION 95.   The special deposits - highways trust account  
4   administratively created in 1979 is reclassified as a trust  
5   fund.

6           SECTION 96.   Any unencumbered balances in the highway  
7   senior debt service reserve account revolving fund  
8   administratively created in 1994 shall be transferred to the  
9   credit of the state highway fund established by section 248-8,  
10   Hawaii Revised Statutes.

11          SECTION 97.   All unencumbered balances remaining in the  
12   transportation improvement special fund repealed by this part  
13   shall be transferred to the credit of the state highway fund  
14   established by section 248-8, Hawaii Revised Statutes.

15          PART XXII.   AUDITOR'S REPORT NO. 21-02, DEPARTMENT OF HUMAN

16                               SERVICES

17          SECTION 98.   The purpose of this part is to repeal or  
18   reclassify certain non-general funds of the department of human  
19   services pursuant to the recommendations of the auditor in  
20   auditor report no. 21-02.



SECTION 99. The donations for social services trust account, a trust account that was administratively established and is administered by the department of human services, is reclassified as a trust fund.

SECTION 100. The Kahikolu Ohana O Waianae project, a trust fund that was administratively established in 2007 and is administered by the department of human services, is abolished and all unencumbered balances remaining shall be lapse to the credit of the general fund.

PART XXIII. AUDITOR'S REPORT NO. 21-02, HAWAII PUBLIC HOUSING

### AUTHORITY

SECTION 101. The purpose of this part is to repeal or reclassify certain non-general funds of the Hawaii public housing authority pursuant to the recommendations of the auditor in auditor report no. 21-02.

SECTION 102. Section 356D-11, Hawaii Revised Statutes, is amended by amending subsection (h) to read as follows:

"(h) In connection with the development of any public housing dwelling units under this chapter, the authority may also develop commercial and industrial properties and sell or lease other properties if it determines that the uses will be an



1 integral part of the public housing development or a benefit to  
2 the community in which the properties are situated. The  
3 authority may designate any portions of the public housing  
4 development for commercial, industrial, or other use and shall  
5 have all the powers granted under this chapter with respect  
6 thereto. The authority may use any funding authorized under  
7 this chapter to implement this subsection.

8 The net proceeds of all sales or leases, less costs to the  
9 authority, shall be deposited in the public housing [~~revolving~~]  
10 special fund established by section 356D-28."

11 SECTION 103. Section 356D-28, Hawaii Revised Statutes, is  
12 amended to read as follows:

13 "**\$356D-28 Public housing [~~revolving~~] special fund.** (a)  
14 There is established the public housing [~~revolving~~] special fund  
15 to be administered by the authority. Notwithstanding section  
16 36-21, the proceeds in the fund shall be used for long-term and  
17 other special financings of the authority and for necessary  
18 expenses in administering this chapter.

19 (b) All moneys received and collected by the authority,  
20 not otherwise pledged, obligated, or required by law to be



1 placed in any other special fund, shall be deposited into the  
2 public housing [~~revolving~~] special fund."

3 SECTION 104. The financial assistance for housing special  
4 fund, a special fund that was administratively established in  
5 2001 and administered by the Hawaii public housing authority, is  
6 abolished and all unencumbered balances remaining shall lapse to  
7 the credit of the general fund.

8 SECTION 105. The HPHA administration revolving fund,  
9 administratively established in 1982 and administered by the  
10 Hawaii public housing authority, is abolished and all  
11 unencumbered balances remaining shall lapse to the credit of the  
12 general fund.

13 PART XXIV. MISCELLANEOUS PROVISIONS

14 SECTION 106. Except as otherwise provided in this Act, all  
15 unencumbered balances in the funds repealed by this Act shall  
16 lapse to the credit of the general fund.

17 SECTION 107. Statutory material to be repealed is  
18 bracketed and stricken. New statutory material is underscored.

19 SECTION 108. This Act shall take effect on July 1, 2021;  
20 provided that the amendments made to section 712A-16, Hawaii  
21 Revised Statutes, in section 83 of this Act shall not be





1 repealed when that section is repealed and reenacted on June 30,  
2 2022, by Act 161, Session Laws of Hawaii 2016.



**Report Title:**

DOA; BUF; DBEDT; DOD; DOE; DOH; DHS; DLIR; DLNR; AG; PSD; DOT;  
UH; DCCA; DHHL; JUD; HPHA; Non-General Funds

**Description:**

Repeals various non-general funds of the department of agriculture; department of budget and finance; department of business, economic development, and tourism; department of defense; department of education; department of health; department of human services; department of labor and industrial relations; department of land and natural resources; department of the attorney general; department of public safety; department of transportation; University of Hawaii; department of commerce and consumer affairs; department of Hawaiian home lands; judiciary; and Hawaii public housing authority. Implements recommendations of the auditor. Transfers most unencumbered balances to the credit of the general fund. (HB1299 HD1)

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

