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# A BILL FOR AN ACT

RELATING TO NON-GENERAL FUNDS.

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

1                                   PART I.   INTRODUCTION

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

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

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

14                                   PART II.   DEPARTMENT OF AGRICULTURE

15          SECTION 2.   Section 155-4, Hawaii Revised Statutes, is  
16 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."



1 SECTION 4. Section 155-31, Hawaii Revised Statutes, is  
2 amended by deleting the definition of "water infrastructure  
3 special fund".

4 [~~"Water infrastructure special fund" means the special~~  
5 ~~fund created pursuant to section 155-34."~~]

6 SECTION 5. Section 155-33, Hawaii Revised Statutes, is  
7 amended to read as follows:

8 **"§155-33 Powers of the department.** The department shall  
9 have the following powers:

10 (1) Make loans and expend funds to finance the purchase or  
11 installation of water infrastructure equipment for  
12 dams, reservoirs, hydroelectric pumping, storm water  
13 reclamation, ditch maintenance, spillways, wells,  
14 water ducts, water distribution systems, and water  
15 tanks;

16 [~~(2) Hold and invest moneys in the water infrastructure~~  
17 ~~special fund in investments as permitted by law,~~

18 ~~(3)]~~ (2) Hire employees necessary to perform its duties;

19 [~~(4)]~~ (3) Enter into contracts for the service of  
20 consultants for rendering professional and technical  
21 assistance and advice, and any other contracts that



1 are necessary and proper for the implementation of the  
2 loan program;

3 ~~[(+5)]~~ (4) Enter into contracts for the administration of  
4 the loan program, in accordance with chapter 103D;

5 ~~[(+6)]~~ (5) Establish loan program guidelines to carry out  
6 the purposes of this part;

7 ~~[(+7)]~~ (6) Perform all functions necessary to effectuate the  
8 purposes of this part;

9 ~~[(+8)]~~ (7) Delegate authority to the chairperson of the  
10 board of agriculture to approve loans where the  
11 requested amount plus any principal balance on  
12 existing loans to the applicant does not exceed  
13 \$25,000 of state funds; and

14 ~~[(+9)]~~ (8) Adopt rules pursuant to chapter 91 necessary for  
15 the purpose of this part."

16 SECTION 6. Section 150A-4.5, Hawaii Revised Statutes, is  
17 repealed.

18 ~~["§150A-4.5 Pest inspection, quarantine, and eradication~~  
19 ~~fund. (a) There is established in the state treasury the pest~~  
20 ~~inspection, quarantine, and eradication fund, into which shall~~  
21 ~~be deposited.~~



- 1       ~~(1) Legislative appropriations for biosecurity and~~  
2       ~~inspection, quarantine, and eradication services;~~
- 3       ~~(2) Service fees, charges, and penalties collected under~~  
4       ~~section 150A-5.3;~~
- 5       ~~(3) Fees imposed for services pursuant to this chapter or~~  
6       ~~rules adopted under this chapter;~~
- 7       ~~(4) Fines for violations of this chapter;~~
- 8       ~~(5) Federal funds received for biosecurity, pest~~  
9       ~~inspection, control, management, quarantine, and~~  
10       ~~eradication programs;~~
- 11       ~~(6) Grants and gifts;~~
- 12       ~~(7) All interest earned or accrued on moneys deposited in~~  
13       ~~the fund; and~~
- 14       ~~(8) Any other moneys made available to the fund.~~
- 15       ~~(b) The moneys in the pest inspection, quarantine, and~~  
16       ~~eradication fund shall be expended by the department for the~~  
17       ~~operation of biosecurity and pest inspection, quarantine,~~  
18       ~~eradication, and monitoring programs; the electronic importer~~  
19       ~~manifest program; related facilities; the execution of emergency~~  
20       ~~remedial measures when pests are detected in the course of~~  
21       ~~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 7. 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) Water infrastructure charges received for the use and services of the loan program, including the repayment of loans made under the loan program;~~

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

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





1       ~~(4) Any other moneys permitted by the board of~~  
2               ~~agriculture.~~

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

5       ~~(1) Making water infrastructure loans,~~

6       ~~(2) Paying administrative costs of the loan program, or~~

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

8       SECTION 8. Section 157-29, Hawaii Revised Statutes, is  
9       repealed.

10       ~~[ "**\$157-29 Milk control special fund.** There is established~~  
11       ~~the milk control special fund to be administered by the board of~~  
12       ~~agriculture. All moneys received by the board of agriculture as~~  
13       ~~application fees and for licenses or otherwise under this~~  
14       ~~chapter, and any state appropriations or other moneys made~~  
15       ~~available to carry out the purposes of this chapter, shall be~~  
16       ~~deposited into the special fund. All interest earned or accrued~~  
17       ~~on moneys deposited in the special fund shall become part of the~~  
18       ~~special fund. Moneys in the special fund shall be expended to~~  
19       ~~cover all costs of administering this chapter including but not~~  
20       ~~limited to the costs of salaries, fringe benefits, operating~~  
21       ~~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 9. 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 150A-4.5", "pest inspection, quarantine, and eradication fund established under section 150A-4.5", "pest inspection, quarantine, and eradication fund established pursuant to section 150A-4.5", or "pest inspection, quarantine, and eradication fund", "agricultural loan reserve fund" or similar term, appears, as the context requires.

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



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

12 PART III. DEPARTMENT OF BUDGET AND FINANCE

13 SECTION 11. The mass transit special fund, account code  
14 S-350-0, is abolished and the unencumbered balance shall lapse  
15 to the credit of the general fund.

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

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

21 TOURISM



1 SECTION 12. The hydrogen investment capital special fund,  
2 account code S-308-B, is abolished and the unencumbered balance  
3 shall lapse to the credit of the general fund.

4 PART V. DEFENSE

5 SECTION 13. The following funds (account code) are  
6 abolished:

7 (1) Personal protective equipment (S-350-G);

8 (2) Tsunami & hurricane preparedness efforts (T-906-G);

9 and

10 (3) Juvenile accountability block grant (T-911-G),  
11 and any unencumbered balances shall lapse to the credit of the  
12 general fund.

13 PART VI. DEPARTMENT OF EDUCATION

14 SECTION 14. Section 302A-425, Hawaii Revised Statutes, is  
15 amended by amending subsection (f) to read as follows:

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

19 SECTION 15. Section 302A-425.5, Hawaii Revised Statutes,  
20 is repealed.



1       [ "~~{§302A-425.5} Private trade, vocational, and technical~~  
2 ~~school licensure special fund.~~ There is created in the state  
3 ~~treasury a special fund to be designated as the private trade,~~  
4 ~~vocational, and technical school licensure special fund into~~  
5 ~~which shall be deposited.~~

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

8       (2) ~~Appropriations from the general fund of the State.~~

9 ~~Moneys in the private trade, vocational, and technical school~~  
10 ~~licensure special fund shall be used to fund activities related~~  
11 ~~to the licensure requirements established under section~~  
12 ~~302A-425, including funding for permanent staff positions and~~  
13 ~~administrative and operational costs." ]~~

14                   PART VII. DEPARTMENT OF HEALTH

15       SECTION 16. Section 103D-407, Hawaii Revised Statutes, is  
16 amended by amending subsection (d) to read as follows:

17       "(d) As used in this section:

18       "Basecourse" means the layer or layers of specified  
19 material or selected material of a designed thickness to support  
20 a surface course.



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

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

8       SECTION 17. Section 342G-1, Hawaii Revised Statutes, is  
9 amended by deleting the definition of "environmental management  
10 special fund".

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

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

15       "(a) The coordinator shall prepare and submit an annual  
16 report to each county, the director, the governor, and the  
17 legislature, twenty days prior to the convening of each regular  
18 session of the legislature, describing the activities of the  
19 office. The annual report shall provide the information  
20 required in this chapter, including, but not limited to:



- 1 (1) A summary of the results achieved in meeting the state  
2 waste reduction goals, including the amounts of waste  
3 disposed of, diverted, and generated in the State, and  
4 the progress toward managing waste in consideration of  
5 the state solid waste management priorities;
- 6 (2) Results achieved in county integrated solid waste  
7 management planning and the state plan, with  
8 timetables for completion and implementation;
- 9 (3) Results achieved in implementing procurement programs,  
10 including the amount of recycled goods and materials  
11 purchased by the State and counties;
- 12 (4) Total paper consumption by state and county agencies  
13 and results achieved with the office paper reduction  
14 goal;
- 15 (5) Results achieved by government agencies in  
16 establishing office paper and other materials recovery  
17 programs;
- 18 (6) Results achieved by state and county agencies in  
19 removing barriers to the development of recycling  
20 markets and in developing markets and supporting  
21 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 19. Section 342G-62, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

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





SECTION 20. Section 342G-84, Hawaii Revised Statutes, is amended as follows:

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

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

(b) The department shall distribute [~~the moneys contained in the special account~~] available funds to the counties in proportion to the amount of glass imported into each county



1 based on the county's de facto population. The distribution  
2 shall be in the form of direct contracts with the department as  
3 permitted under chapters 103 and 103D or transfer of funds from  
4 the department."

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

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

11 SECTION 21. Section 342P-28, Hawaii Revised Statutes, is  
12 amended to read as follows:

13 "**§342P-28 Fees.** The director may establish reasonable  
14 fees for the issuance of notifications, certificates, licenses,  
15 permits, and variances to cover the cost of issuance thereof,  
16 and for the implementation and enforcement of the terms and  
17 conditions of permits and variances not including court costs or  
18 other costs associated with any formal enforcement action. The  
19 fees shall be deposited to the credit of the [~~asbestos and lead~~  
20 ~~abatement special fund or noise, radiation, and indoor air~~  
21 ~~quality special~~] general fund."



1 SECTION 22. Section 466J-5, Hawaii Revised Statutes, is  
2 amended by amending subsection (e) to read as follows:

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

13 SECTION 23. Section 321-27, Hawaii Revised Statutes, is  
14 repealed.

15 ~~["§321-27 Sanitation and environmental health special~~  
16 ~~fund. (a) There is established within the department of health~~  
17 ~~the sanitation and environmental health special fund into which~~  
18 ~~shall be deposited all moneys collected from fees for permits,~~  
19 ~~licenses, inspections, various certificates, variances,~~  
20 ~~investigations, and reviews, pursuant to sections 321-11.5(c)~~  
21 ~~and 321-15.~~



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

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

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

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

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

~~(5) Conduct program activities and functions of the sanitation branch, including permit issuance, inspections, and enforcement and the hiring of additional inspectors;~~

~~provided that for environmental health programs, not more than \$140,000 of the fund may be used during any fiscal year for fund administration, including the hiring of not more than two full-~~



1 ~~time equivalent personnel, and the purchase of office and~~  
2 ~~electronic equipment.~~

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

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

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

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

13 SECTION 24. Section 342G-63, Hawaii Revised Statutes, is  
14 repealed.

15 [ "~~§342G-63 Establishment of the environmental management~~  
16 ~~special fund.~~ (a) ~~There is created in the state treasury an~~  
17 ~~environmental management special fund. The fund may receive~~  
18 ~~legislative appropriations, grants and gifts.~~

19 ~~(b) All moneys collected pursuant to section 342G-62 shall~~  
20 ~~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 Regulations Part 258 and chapter 11 58, Hawaii Administrative Rules." ]~~

SECTION 25. Section 342G-64, Hawaii Revised Statutes, is repealed.



1       ~~["§342G-64] Administration of the environmental~~  
2 ~~management special fund. (a) The department may adopt rules to~~  
3 ~~administer the environmental management special fund. During~~  
4 ~~the interim period until such rules are established, the~~  
5 ~~department may distribute funding to the counties or the~~  
6 ~~department of business, economic development, and tourism in the~~  
7 ~~form of a contractual agreement pursuant to section 103-22.~~  
8       ~~(b) The office shall not award any grant or contract under~~  
9 ~~this section to any county that has failed to comply with the~~  
10 ~~conditions set forth in this part and any rules adopted pursuant~~  
11 ~~thereto.~~  
12       ~~(c) Unexpended or unencumbered grant funds shall revert to~~  
13 ~~the environmental management special fund at the end of the~~  
14 ~~fiscal year following the year in which the funds were~~  
15 ~~granted." ]~~

16       SECTION 26. Section 342I-29, Hawaii Revised Statutes, is  
17 repealed.

18       ~~["§342I-29] Deposit into environmental management special~~  
19 ~~fund. The surcharge collected pursuant to this part shall be~~  
20 ~~deposited into a special account in the environmental management~~  
21 ~~special fund established by section 342G-63. All interest~~



~~earned or accrued on moneys deposited in the fund pursuant to  
this section shall become part of the account. Moneys from this  
special account may be used by the department to:~~

- ~~(1) Support permitting, monitoring, and enforcement  
activities, including personnel costs regarding used  
tire management, collection, recycling, and disposal  
facilities;~~
- ~~(2) Promote improved market development and reuse  
opportunities for recovered motor vehicle tires;~~
- ~~(3) Promote tire recovery, recycling, and reuse in the  
State through education, research, and demonstration  
projects;~~
- ~~(4) Implement the surcharge program under this part;~~
- ~~(5) Support programs to prevent illegal dumping; and~~
- ~~(6) Clean up improper tire disposal sites including  
conducting related environmental assessments and  
remediation." ]~~

SECTION 27. Section 342P-7, Hawaii Revised Statutes, is  
repealed.

~~[ "**~~{S342P-7}~~** Noise, radiation, and indoor air quality  
special fund; established. (a) There is established within the~~





1 ~~department of health a noise, radiation, and indoor air quality~~  
2 ~~special fund into which shall be deposited all moneys collected~~  
3 ~~from fees for permits, licenses, inspections, certificates,~~  
4 ~~notifications, variances, investigations, and review, pursuant~~  
5 ~~to sections 342F-14, 342P-28, 466J-4, and 466J-5.~~

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

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

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

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

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

17 SECTION 28. Section 342P-8, Hawaii Revised Statutes, is  
18 repealed.

19 ~~[ "~~§342P-8 Asbestos and lead abatement special fund.~~ ] (a)~~  
20 ~~There is established within the department of health an asbestos~~  
21 ~~and lead abatement special fund into which shall be deposited~~



1 ~~all moneys collected from fees for permits, licenses,~~  
2 ~~inspections, certificates, notifications, variances,~~  
3 ~~investigations, and reviews.~~

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

6 ~~(1) Partially fund the operating costs of the asbestos and~~  
7 ~~lead abatement program's mandated activities and~~  
8 ~~functions;~~

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

11 ~~(3) Provide for the accreditation of training programs;~~

12 ~~(4) Provide training opportunities to ensure the~~  
13 ~~maintenance of professional competence among staff and~~  
14 ~~administrators; and~~

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

17 SECTION 29. Section 448B-10, Hawaii Revised Statutes, is  
18 repealed.

19 ~~[ "**\$448B-10 Dietitian licensure special fund.** (a) There~~  
20 ~~is established in the state treasury a special fund to be known~~  
21 ~~as the dietitian licensure special fund to be administered by~~



~~the department. Fees collected under section 448B-9 shall be deposited in the dietitian licensure special fund and may be expended for costs associated with administering the licensure program, including but not limited to education.~~

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

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

~~(d) The department shall submit a report to the legislature concerning the status of the dietitian licensure special fund, including deposits to and expenditures from the 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 30. 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



1 established under section 321-27", "noise, radiation, and indoor  
2 air quality special fund established pursuant to section  
3 342P-7", "environmental management special fund as provided in  
4 section 342I-29", "special account of the environmental  
5 management special fund", or similar term appears, as the  
6 context requires.

7 SECTION 31. The following funds (account code) are  
8 abolished:

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

16 and any unencumbered balances shall lapse to the credit of the  
17 general fund.

18 PART VIII. DEPARTMENT OF HUMAN SERVICES

19 SECTION 32. Act 156, Session Laws of Hawaii 2012, section  
20 5, as amended by section 3 of Act 142, Session Laws of Hawaii  
21 2013, as amended by section 2 of Act 124, Session Laws of Hawaii



1 2014, as amended by section 2 of Act 69, Session Laws of Hawaii  
2 2015, as amended by section 2 of Act 59, Session Laws of Hawaii  
3 2016, as amended by section 5 of Act 60, Session Laws of Hawaii  
4 2017, as amended by section 6 of Act 163, Session Laws of Hawaii  
5 2019, is amended by amending section 5 to read as follows:

6 "SECTION 5. This Act shall take effect on July 1, 2012,  
7 and shall be repealed on June 30, 2021; provided that section  
8 -4, Hawaii Revised Statutes, established by section 2 of  
9 this Act, and the amendment made to section 36-30(a), Hawaii  
10 Revised Statutes, in section 3 of this Act, shall be repealed on  
11 [~~December 31,~~] July 1, 2021."

12 SECTION 33. Act 124, Session Laws of Hawaii 2014, section  
13 7, as amended by section 3 of Act 69, Session Laws of Hawaii  
14 2015, as amended by section 3 of Act 59, Session Laws of Hawaii  
15 2016, and as amended by section 6 of Act 60 Session Laws of  
16 Hawaii 2017, as amended by section 7 of Act 163, Session Laws of  
17 Hawaii 2019, is amended by amending section 7 to read as  
18 follows:

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

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



1 (2) The amendments made to section 36-27(a) and 36-30(a),  
2 Hawaii Revised Statutes, in sections 3 and 4 of this  
3 Act shall be repealed on [~~December 31,~~] July 1, 2021."

4 SECTION 34. Act 217, Session Laws of Hawaii 2012, section  
5 5, as amended by section 2 of Act 141, Session Laws of Hawaii  
6 2013, as amended by section 2 of Act 123, Session Laws of Hawaii  
7 2014, as amended by section 2 of Act 70, Session Laws of Hawaii  
8 2015, as amended by section 3 of Act 60, Session Laws of Hawaii  
9 2016, as amended by section 5 of Act 59, Session Laws of Hawaii  
10 2017, as amended by section 6 of Act 173, Session Laws of Hawaii  
11 2019, is amended 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, in section 2 of this Act, and  
15 the amendment to section 36-30(a), Hawaii Revised Statutes, in  
16 section 3 of this Act, shall be repealed on [~~December 31,~~]  
17 July 1, 2021."

18 SECTION 35. Act 123, Session Laws of Hawaii 2014, section  
19 7, as amended by section 3 of Act 70, Session Laws of Hawaii  
20 2015, as amended by section 4 of Act 60, Session Laws of Hawaii  
21 2016, as amended by section 6 of Act 59, Session Laws of Hawaii



1 2017, as amended by section 7 of Act 173, Session Laws of Hawaii  
2 2019, is amended to read as follows:

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

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

6 (2) The amendments made to sections 36-27(a) and 36-30(a),  
7 Hawaii Revised Statutes, in sections 3 and 4 of this  
8 Act shall be repealed on [~~December 31,~~] July 1, 2021."

9 SECTION 36. The following funds (account code) are  
10 abolished:

11 (1) General support for health care payments (S-302-K);

12 (2) Health care payments (S-303-K); and

13 (3) Financial assistance for housing (S-339-K),

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

16 PART IX. DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

17 SECTION 37. Section 706-650.5, Hawaii Revised Statutes, is  
18 amended to read as follows:

19 "**§706-650.5 Human trafficking victim services [~~fund.~~] fee.**

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



1 (a) Convicted of an offense under part VIII of chapter  
2 707; or

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

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

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

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

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

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

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

12 ~~[(3) There is established within the state treasury a~~  
13 ~~special fund to be known as the human trafficking victim~~  
14 ~~services fund to be administered by the department of labor and~~  
15 ~~industrial relations. The disbursement of money from the human~~  
16 ~~trafficking victim services fund shall be used to supplement~~  
17 ~~programs, grants, or purchase of service contracts that support~~  
18 ~~or provide comprehensive services to victims of labor~~  
19 ~~trafficking crimes under part VIII of chapter 707, or victims of~~  
20 ~~trafficking related to crimes under part I of chapter 712.~~  
21 ~~Moneys in the special fund shall be used for new or existing~~





1 ~~programs, grants, or purchase of service contracts and shall not~~  
2 ~~supplant any other moneys previously allocated to these~~  
3 ~~programs, grants, or purchase of service contracts.~~

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

7 ~~(5)]~~ (4) When a defendant is ordered to make payments in  
8 addition to the human trafficking victim services fee authorized  
9 under subsection (2), payments by the defendant shall be made  
10 pursuant to section 706-651.

11 ~~(6)]~~ (5) The department of labor and industrial relations  
12 shall submit to the legislature no later than twenty days prior  
13 to the convening of each regular session a written annual report  
14 that provides the following:

- 15 (a) An accounting of the receipts of and expenditures from  
16 the human trafficking victim services fund; and  
17 (b) Any recommendations to improve support of and services  
18 to victims of labor trafficking crimes under part VIII  
19 of chapter 707, or victims of trafficking related to  
20 crimes under part I of chapter 712."



SECTION 38. Section 396-20, Hawaii Revised Statutes, is repealed.

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

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

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

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

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

~~(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 39. The following funds (account code) are  
abolished:

(1) Office of community services (S-338-L); and

(2) Placement services (employment & trng) (S-318-L),

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

PART X. DEPARTMENT OF LAND AND NATURAL RESOURCES

SECTION 40. The following funds (account code) are  
abolished:



- (1) Conservation & resources enforcement (S-302-C);
- (2) Native resources & fire protection pgm (S-314-C);
- (3) Public land trust inventory & info sys (S-315-C);
- (4) Ecosystem protection and restoration (S-341-C);
- (5) Iucn - sldf (S-371-C);
- (6) Hawaii historic preservation special fnd (S-373-C);
- and

- (7) County lifeguard services spec fd (S-376-C),

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

PART XI. DEPARTMENT OF THE ATTORNEY GENERAL

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

- (1) Legal services (S-302-N);
- (2) Sex assault response, train & kit test (S-308-N);
- (3) Medicaid investigations recovery fund (S-328-N);
- (4) Collective bargaining (S-365-N); and
- (5) Legislative relief for claims - dot (S-399-N),

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

PART XII. DEPARTMENT OF PUBLIC SAFETY



1 SECTION 42. The drug law enforcement equipment procurement  
2 fund (T-905-V1) is abolished and the unencumbered balance shall  
3 lapse to the credit of the general fund.

4 PART XIII. DEPARTMENT OF TRANSPORTATION

5 SECTION 43. The following funds (account code) are  
6 abolished:

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

15 PART XIV. UNIVERSITY OF HAWAII

16 SECTION 44. The following funds (account code) are  
17 abolished:

- 18 (1) Grant for the bridge-to-hope program (S-320-F); and  
19 (2) Legislative relief for claims - UH (S-399-F),  
20 and the unencumbered balances shall lapse to the credit of the  
21 general fund.



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

3 SECTION 45. The purpose of this part is to reclassify,  
4 repeal, or abolish various non-general funds, including  
5 accounts of the department of business, economic development,  
6 and tourism pursuant to the recommendations made by the auditor  
7 in auditor's report no. 20-01 and to transfer the unencumbered  
8 balances to the general fund.

9 SECTION 46. Section 206E-6, Hawaii Revised Statutes, is  
10 amended as follows:

11 1. By amending subsection (e) to read as follow:

12 "(e) The authority shall adopt rules pursuant to chapter  
13 91, and may amend the rules from time to time, providing for the  
14 method of undertaking and financing public facilities in an  
15 assessment area or an entire community development district.  
16 The rules adopted pursuant to this section shall include, but  
17 are not limited to, the following: methods by which the  
18 authority shall establish assessment areas; the method of  
19 assessment of real properties specially benefited; the costs to  
20 be borne by the authority, the county in which the public  
21 facilities are situated, and the property owners; the procedures



1 before the authority relating to the creation of the assessment  
2 areas by the owners of real property therein, including  
3 provisions for petitions, bids, contracts, bonds, and notices;  
4 provisions relating to assessments; provisions relating to  
5 financing, such as bonds, [~~revolving~~] special funds, advances  
6 from available funds, special funds for payment of bonds,  
7 payment of principal and interest, and sale and use of bonds;  
8 provisions relating to funds and refunding of outstanding debts;  
9 and provisions relating to limitations on time to sue, and other  
10 related provisions."

11 2. By amending subsection (g) to read as follows:

12 "(g) All sums collected under this section shall be  
13 deposited in the Hawaii community development [~~revolving~~]  
14 special fund established by section 206E-16; except that  
15 notwithstanding section 206E-16, all moneys collected on account  
16 of assessments and interest thereon for any specific public  
17 facilities financed by the issuance of bonds shall be set apart  
18 in a separate special fund and applied solely to the payment of  
19 the principal and interest on these bonds, the cost of  
20 administering, operating, and maintaining the program, the  
21 establishment of reserves, and other purposes as may be



1 authorized in the proceedings providing for the issuance of the  
2 bonds. If any surplus remains in any special fund after the  
3 payment of the bonds chargeable against ~~[such]~~ that fund, it  
4 shall be credited to and become a part of the Hawaii community  
5 development ~~[revolving]~~ special fund. Moneys in the Hawaii  
6 community development ~~[revolving]~~ special fund may be used to  
7 make up any deficiencies in the special fund."

8 SECTION 47. Section 206E-16, Hawaii Revised Statutes, is  
9 amended to read as follows:

10 " **[+]§206E-16[+]** **Hawaii community development ~~[revolving]~~**  
11 **special fund.** There is created the Hawaii community development  
12 ~~[revolving]~~ special fund into which all receipts and revenues of  
13 the authority shall be deposited. Proceeds from the fund shall  
14 be used for the purposes of this chapter."

15 SECTION 48. Section 206E-16.5, Hawaii Revised Statutes, is  
16 amended to read as follows:

17 " **[+]§206E-16.5[+]** **Expenditures of ~~[revolving]~~ special**  
18 **funds under the authority exempt from appropriation and**  
19 **allotment.** Except as to administrative expenditures, and except  
20 as otherwise provided by law, expenditures from any ~~[revolving]~~  
21 special fund administered by the authority may be made by the





1 authority without appropriation or allotment of the legislature;  
2 provided that no expenditure shall be made from and no  
3 obligation shall be incurred against any [~~revolving~~] special  
4 fund in excess of the amount standing to the credit of the fund  
5 or for any purpose for which the fund may not lawfully be  
6 expended. Nothing in sections 37-31 to 37-41 shall require the  
7 proceeds of any [~~revolving~~] special fund administered by the  
8 authority to be reappropriated annually."

9 SECTION 49. Section 206E-184, Hawaii Revised Statutes, is  
10 amended by amending subsection (a) to read as follows:

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

- 15 (1) To pay to the authority during the initial term of the  
16 special facility lease, whether the special facility  
17 is capable of being used or occupied or is being used  
18 or occupied by the other person, a rental or rentals  
19 at the time or times and in the amount or amounts that  
20 will be sufficient:



- 1 (A) To pay the principal and interest on all special  
2 facility revenue bonds issued for the special  
3 facility;
- 4 (B) To establish or maintain any reserves for these  
5 payments; and
- 6 (C) To pay all fees and expenses of the trustees,  
7 paying agents, transfer agents, and other fiscal  
8 agents for the special facility revenue bonds  
9 issued for the special facility;
- 10 (2) To pay to the authority:
- 11 (A) A ground rental, as determined by the authority,  
12 if the land on which the special facility is  
13 located was not acquired from the proceeds of the  
14 special facility revenue bonds; or
- 15 (B) A properly allocable share of the administrative  
16 costs of the authority in carrying out the  
17 special facility lease and administering the  
18 special facility revenue bonds issued for the  
19 special facility, if the land was acquired from  
20 the proceeds of the special facility revenue  
21 bonds;



1 (3) To either operate, maintain, and repair the special  
2 facility and pay the costs thereof or to pay to the  
3 authority all costs of operation, maintenance, and  
4 repair of the special facility;

5 (4) To:

- 6 (A) Insure, or cause to be insured, the special  
7 facility under builder's risk insurance (or  
8 similar insurance) in the amount of the cost of  
9 construction of the special facility to be  
10 financed from the proceeds of the special  
11 facility revenue bonds;
- 12 (B) Procure and maintain, or cause to be procured or  
13 maintained, to the extent commercially available,  
14 a comprehensive insurance policy providing  
15 protection and insuring the authority and its  
16 officers, agents, servants, and employees (and so  
17 long as special facility revenue bonds are  
18 outstanding, the trustee) against all direct or  
19 contingent loss or liability for damages for  
20 personal injury or death or damage to property,  
21 including loss of use thereof, occurring on or in



1 any way related to the special facility or  
2 occasioned by reason of occupancy by and the  
3 operations of the other person upon, in, and  
4 around the special facility;

5 (C) Provide all risk casualty insurance, including  
6 insurance against loss or damage by fire,  
7 lightning, flood, earthquake, typhoon, or  
8 hurricane, with standard extended coverage and  
9 standard vandalism and other malicious mischief  
10 endorsements; and

11 (D) Provide insurance for workers' compensation and  
12 employer's liability for personal injury or death  
13 or damage to property (the other party may self-  
14 insure for workers' compensation if permitted by  
15 law);

16 provided that all policies with respect to loss or  
17 damage of property including fire or other casualty  
18 and extended coverage and builder's risk shall provide  
19 for payments of the losses to the authority, the other  
20 person, or the trustee as their respective interests  
21 may appear; and provided further that the insurance



1           may be procured and maintained as part of or in  
2           conjunction with other policies carried by the other  
3           person; and provided further that the insurance shall  
4           name the authority, and so long as any special  
5           facility revenue bonds are outstanding, the trustee,  
6           as additional insured; and

- 7           (5) To indemnify, save, and hold the authority, the  
8           trustee and their respective agents, officers,  
9           members, and employees harmless from and against all  
10          claims and actions and all costs and expenses  
11          incidental to the investigation and defense thereof,  
12          by or on behalf of any person, firm, or corporation,  
13          based upon or arising out of the special facility or  
14          the other person's use and occupancy thereof,  
15          including, without limitation, from and against all  
16          claims and actions based upon and arising from any:  
17                (A) Condition of the special facility;  
18                (B) Breach or default on the part of the other person  
19                   in the performance of any of the person's  
20                   obligations under the special facility lease;



1 (C) Fault or act of negligence of the other person or  
2 the person's agents, contractors, servants,  
3 employees, or licensees; or

4 (D) Accident to, or injury or death of, any person or  
5 loss of, or damage to any property occurring in  
6 or about the special facility, including any  
7 claims or actions based upon or arising by reason  
8 of the negligence or any act of the other person.

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

13 SECTION 50. Section 206E-185, Hawaii Revised Statutes, is  
14 amended to read as follows:

15 "**§206E-185 Special facility revenue bonds.** All special  
16 facility revenue bonds authorized to be issued in principal  
17 amounts not to exceed the total amount of bonds authorized by  
18 the legislature shall be issued pursuant to part III of  
19 chapter 39, except as follows:

20 (1) No revenue bonds shall be issued unless at the time of  
21 issuance the authority shall have entered into a



1 special facility lease with respect to the special  
2 facility for which the revenue bonds are to be issued;

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

5 (3) The revenue bonds shall be payable solely from and  
6 secured solely by the revenues derived by the  
7 authority from the special facility for which they are  
8 issued;

9 (4) The final maturity date of the revenue bonds shall not  
10 be later than either the estimated life of the special  
11 facility for which they are issued or the initial term  
12 of the special facility lease;

13 (5) If deemed necessary or advisable by the authority, or  
14 to permit the obligations of the other person to the  
15 special facility lease to be registered under the U.S.  
16 Securities Act of 1933, the authority, with the  
17 approval of the director of finance, may appoint a  
18 national or state bank within or without the State to  
19 serve as trustee for the holders of the revenue bonds  
20 and may enter into a trust indenture or trust  
21 agreement with the trustee. The trustee may be



1 authorized by the authority to collect, hold, and  
2 administer the revenues derived from the special  
3 facility for which the revenue bonds are issued and to  
4 apply the revenues to the payment of the principal and  
5 interest on the revenue bonds. If any trustee shall  
6 be appointed, any trust indenture or agreement entered  
7 into by the authority with the trustee may contain the  
8 covenants and provisions authorized by part III of  
9 chapter 39 to be inserted in a resolution adopted or  
10 certificate issued, as though the words "resolution"  
11 or "certificate" as used in that part read "trust  
12 indenture or agreement". The covenants and provisions  
13 shall not be required to be included in the resolution  
14 or certificate authorizing the issuance of the revenue  
15 bonds if included in the trust agreement or indenture.  
16 Any resolution or certificate, trust indenture, or  
17 trust agreement adopted, issued, or entered into by  
18 the authority pursuant to this part may also contain  
19 any provisions required for the qualification thereof  
20 under the U.S. Trust Indenture Act of 1939. The  
21 authority may pledge and assign to the trustee the





1 special facility lease and the rights of the authority  
2 including the revenues thereunder;

3 (6) If the authority, with the approval of the director of  
4 finance, shall have appointed or shall appoint a  
5 trustee for the holders of the revenue bonds, then  
6 notwithstanding the provisions of the second sentence  
7 of section 39-68, the director of finance may elect  
8 not to serve as fiscal agent for the payment of the  
9 principal and interest, and for the purchase,  
10 registration, transfer, exchange, and redemption, of  
11 the revenue bonds, or may elect to limit the functions  
12 the director of finance shall perform as the fiscal  
13 agent. The authority, with the approval of the  
14 director of finance, may appoint the trustee to serve  
15 as the fiscal agent, and may authorize and empower the  
16 trustee to perform the functions with respect to  
17 payment, purchase, registration, transfer, exchange,  
18 and redemption, that the authority may deem necessary,  
19 advisable, or expedient, including, without  
20 limitation, the holding of the revenue bonds and  
21 coupons which have been paid and the supervision and



1           conduction of the destruction thereof in accordance  
2           with sections 40-10 and 40-11. Nothing in this  
3           paragraph shall be a limitation upon or construed as a  
4           limitation upon the powers granted in the preceding  
5           paragraph to the authority, with the approval of the  
6           director of finance, to appoint the trustee, or  
7           granted in sections 36-3 and 39-13 and the third  
8           sentence of section 39-68 to the director of finance  
9           to appoint the trustee or others, as fiscal agents,  
10          paying agents, and registrars for the revenue bonds or  
11          to authorize and empower the fiscal agents, paying  
12          agents, and registrars to perform the functions  
13          referred to in that paragraph and sections, it being  
14          the intent of this paragraph to confirm that the  
15          director of finance as aforesaid may elect not to  
16          serve as fiscal agent for the revenue bonds or may  
17          elect to limit the functions the director of finance  
18          shall perform as the fiscal agent, that the director  
19          of finance may deem necessary, advisable, or  
20          expedient;



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

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

12 (9) If the resolution, certificate, trust indenture, or  
13 trust agreement shall provide that no revenue bonds  
14 issued thereunder shall be valid or obligatory for any  
15 purpose unless certified or authenticated by the  
16 trustee for the holders of the revenue bonds,  
17 signatures of the officers of the State upon the bonds  
18 required by section 39-56 may be facsimiles of their  
19 signatures;

20 (10) Proceeds of the revenue bonds may be used and applied  
21 by the authority to reimburse the other person to the



1 special facility lease for all preliminary costs and  
2 expenses, including architectural and legal costs; and  
3 (11) If the special facility lease shall require the other  
4 person to operate, maintain, and repair the special  
5 facility which is the subject of the lease, at the  
6 other person's expense, the requirement shall  
7 constitute compliance by the authority with  
8 section 39-61(a)(2), and none of the revenues derived  
9 by the authority from the special facility shall be  
10 required to be applied to the purposes of  
11 section 39-62(2). Sections 39-62(4), 39-62(5), and  
12 39-62(6) shall not apply to the revenues derived from  
13 a special facility lease."

14 SECTION 51. Section 206E-195, Hawaii Revised Statutes, is  
15 amended by amending its title and subsections (a) and (b) to  
16 read as follows:

17 "[~~+~~§206E-195~~+~~] **Kalaeloa community development**  
18 [~~revolving~~] **special fund**. (a) There is established in the  
19 state treasury the Kalaeloa community development [~~revolving~~]  
20 **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.

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

SECTION 52. Section 206E-201, Hawaii Revised Statutes, is amended by amending the definition of "fund" to read as follows:

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



1 SECTION 53. Section 206E-204, Hawaii Revised Statutes, is  
2 amended by amending its title and subsection (a) to read as  
3 follows:

4 "[~~§~~206E-204] Heeia community development [~~revolving~~  
5 special fund. (a) There is established in the state treasury  
6 the Heeia community development [~~revolving~~] special fund, into  
7 which shall be deposited:

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

11 (2) Moneys directed, allocated, or disbursed to the  
12 district from government agencies or private  
13 individuals or organizations, including grants, gifts,  
14 awards, donations, and assessments of landowners for  
15 costs to administer and operate the district; and

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

17 SECTION 54. Section 206M-15.2, Hawaii Revised Statutes, is  
18 amended by amending subsection (b) to read as follows:

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



- 1       (1)   Apply [~~the research and development special fund~~  
2       funds to support product development, technology  
3       transfer, and commercialization;
- 4       (2)   Provide capital to support accelerated  
5       commercialization activities for qualified Hawaii-  
6       based small businesses;
- 7       (3)   Provide capital to sustain high-potential  
8       infrastructure development to assist qualified Hawaii-  
9       based small businesses towards commercial success;
- 10      (4)   Promote efforts that reverse the loss of qualified  
11      workers to other states by providing jobs to retain  
12      existing Hawaii technology employees and enable highly  
13      qualified scientists and engineers to return to  
14      living-wage jobs in Hawaii;
- 15      (5)   Promote efforts that keep technology companies in  
16      Hawaii by limiting the need to seek out-of-state  
17      venture capital, which dilutes local ownership and  
18      increases the probability of high-potential technology  
19      companies moving from Hawaii; and
- 20      (6)   Provide grants of up to \$300,000 for critical product  
21      development that enables a qualified Hawaii-based



1           small business to achieve significant product  
2           development and technical milestones."

3           SECTION 55. Section 210D-4, Hawaii Revised Statutes, is  
4 amended to read as follows:

5           "**§210D-4 Hawaii community-based economic development**  
6 **~~[revolving]~~ special fund; established.** There is established a  
7 **~~[revolving]~~ special** fund to be known as the Hawaii community-  
8 based economic development **~~[revolving]~~ special** fund from which  
9 moneys shall be loaned or granted by the department under this  
10 chapter. All moneys appropriated to the fund by the  
11 legislature, received as repayments of loans, payments of  
12 interest or fees, and all other moneys received by the fund from  
13 any other source shall be deposited into the **~~[revolving]~~ special**  
14 fund and used for the purposes of this chapter. The department  
15 may deposit moneys it receives from the repayments of loans and  
16 payments of interest or fees from the Hawaii capital loan  
17 program established by chapter 210, the Hawaii large fishing  
18 vessel purchase, construction, renovation, maintenance, and  
19 repair loan program established by part II of chapter 189, and  
20 the Hawaii small fishing vessel loan program established by  
21 part IV of chapter 189, into the Hawaii community-based economic





1 development [~~revolving~~] special fund to be used for the purposes  
2 of this chapter. The department may use all appropriations and  
3 other moneys in the [~~revolving~~] special fund not appropriated  
4 for a designated purpose to make grants or loans."

5 SECTION 56. Section 210D-8, Hawaii Revised Statutes, is  
6 amended to read as follows:

7 "**§210D-8 Powers and duties.** The department shall have the  
8 necessary powers to carry out the purposes of this chapter,  
9 including the following:

10 (1) With advice from the council, prescribe the  
11 qualifications for eligibility of applicants for loans  
12 and grants;

13 (2) With advice from the council, establish preferences  
14 and priorities in determining eligibility for  
15 financial assistance;

16 (3) Establish the conditions, consistent with the purpose  
17 of this chapter, for the awarding of financial  
18 assistance;

19 (4) Provide for inspection at reasonable hours of  
20 facilities, books, and records of a community-based  
21 organization that has applied for or has been awarded



- 1 financial assistance and require the submission of  
2 progress and final reports;
- 3 (5) Provide loans and grants for community-based economic  
4 development activities and community-based enterprises  
5 for purposes consistent with this chapter;
- 6 (6) Determine the necessity for and the extent of security  
7 required in a loan;
- 8 (7) Prescribe and provide appropriate management  
9 counseling and monitoring of business activities;
- 10 (8) Administer the Hawaii community-based economic  
11 development [~~revolving~~] special fund;
- 12 (9) Include in its budget for subsequent fiscal periods  
13 amounts necessary to effectuate the purposes of this  
14 chapter;
- 15 (10) Participate in loans made to qualified persons by  
16 private lenders;
- 17 (11) Establish interest rates chargeable by the State for  
18 direct and participation loans; and
- 19 (12) Adopt rules pursuant to chapter 91 to implement this  
20 chapter."



1 SECTION 57. Section 206M-15.3, Hawaii Revised Statutes, is  
2 repealed.

3 ~~["§206M-15.3] Research and development special fund,~~  
4 ~~established. There is established in the treasury of the State~~  
5 ~~of Hawaii the research and development special fund to be~~  
6 ~~administered by the development corporation pursuant to section~~  
7 ~~206M-15.2." ]~~

8 SECTION 58. Section 206M-15.6, Hawaii Revised Statutes, is  
9 repealed.

10 ~~["§206M-15.6] Hawaii technology loan revolving fund.~~  
11 ~~There is established the Hawaii technology loan revolving fund~~  
12 ~~for the purpose of investing in technology development in~~  
13 ~~Hawaii. The following shall be deposited into the Hawaii~~  
14 ~~technology loan revolving fund:~~

- 15 ~~(1) Appropriations from the legislature;~~  
16 ~~(2) Moneys received as repayments of loans;~~  
17 ~~(3) Investment earnings;~~  
18 ~~(4) Royalties;~~  
19 ~~(5) Premiums, or fees or equity charged by the~~  
20 ~~corporation, or otherwise received by the corporation;~~  
21 ~~and~~



1       ~~(6) Loans that are convertible to equity,~~  
2       ~~provided that the total amount of moneys in the fund shall not~~  
3       ~~exceed \$2,000,000 at the end of any fiscal year." ]~~

4       SECTION 59. The Kalaeloa facilities trust account  
5       administratively established in 2018 is reclassified as a  
6       special fund.

7       SECTION 60. The energy audits - recipients' share of cost  
8       trust account administratively established in 2012 is abolished  
9       and any unencumbered balance shall lapse to the credit of the  
10      general fund.

11      PART XVI. AUDITOR'S REPORT NO. 20-18, DEPARTMENT OF COMMERCE  
12                                      AND CONSUMER AFFAIRS

13      SECTION 61. The purpose of this part is to abolish or  
14      reclassify various non-general funds pursuant to the  
15      recommendations by the auditor in auditor's report no. 20-18 and  
16      to transfer the unencumbered balances to other appropriate non-  
17      general funds.

18      SECTION 62. The compliance resolution fund--appraisal  
19      management registration program special fund administratively  
20      established in 2017 is abolished and any remaining unencumbered  
21      balance shall lapse to the credit of the compliance resolution



1 fund established pursuant to section 26-9(o), Hawaii Revised  
2 Statutes.

3 SECTION 63. The electrical vehicle charging system rebate  
4 program special fund administratively established in 2019 is  
5 abolished and any remaining unencumbered balance shall lapse to  
6 the credit of the public utilities commission special fund  
7 established pursuant to section 269-33, Hawaii Revised Statutes.

8 SECTION 64. The service contract provider's financial  
9 security deposit trust account is reclassified as a trust fund.

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

12 SECTION 65. The legislature finds that section 213(g) of  
13 the Hawaiian Homes Commission Act established the Hawaiian home  
14 receipts fund but did not specify whether the fund should be  
15 classified as a special fund, revolving fund, trust fund, or  
16 trust account. The department of Hawaiian home lands has  
17 classified the fund as a trust fund. However, the auditor, in  
18 auditor report no. 20-16, found that the fund does not meet all  
19 the criteria for a trust fund because it functions more like a  
20 trust account. Accordingly, the auditor recommended that the  
21 fund should be reclassified as a trust account.



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

3 SECTION 66. The Hawaiian home receipts fund established  
4 pursuant to the section 213(g) of the Hawaiian Homes Commission  
5 Act, 1920, as amended, is reclassified as a trust account.

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

7 SECTION 67. The purpose of this part is to:

8 (1) Repeal the probation services special fund; and

9 (2) Reclassify the supreme court bar examination fund,  
10 as recommended by the auditor in auditor report no. 20-17.

11 SECTION 68. Section 353B-6, Hawaii Revised Statutes, is  
12 amended to read as follows:

13 "**§353B-6 Interstate transfer fee.** The judiciary may  
14 assess a fee not to exceed \$200 for each application made by a  
15 parolee or probationer for a transfer out of the State[+  
16 ~~provided that the fees collected shall be deposited into the~~  
17 ~~probation services special fund established in section~~  
18 ~~706-649]~~."

19 SECTION 69. Section 706-648, Hawaii Revised Statutes, is  
20 amended by amending subsection (4) to read as follows:



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

5       SECTION 70. Section 706-649, Hawaii Revised Statutes, is  
6 repealed.

7       ~~[ "**~~§706-649 Probation services special fund.~~** (1) There is~~  
8 ~~established in the state treasury a special fund to be known as~~  
9 ~~the probation services special fund. All probation services~~  
10 ~~fees collected under section 706-648 shall be deposited into~~  
11 ~~this fund.~~

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

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

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

19       SECTION 71. The supreme court bar examination fund  
20 administratively established in 1994 is reclassified as a  
21 special fund.



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

2 SECTION 72. The purpose of this part is to:

3 (1) Repeal or reclassify certain non-general funds of the

4 University of Hawaii pursuant to the recommendations

5 of the auditor in auditor's report no. 20-03; and

6 (2) Transfer authority to the chancellor of the University

7 of Hawaii at Hilo to expend funds from the conference

8 center revolving fund.

9 SECTION 73. Chapter 304A, Hawaii Revised Statutes, is  
10 amended by adding a new section to part V, subpart D, to be  
11 appropriately designated and to read as follows:

12 **"§304A- Community colleges revolving fund. (a)**

13 Section 304A-2003 notwithstanding, there is established a

14 community colleges revolving fund to receive, disburse, and

15 account for funds of programs and activities of the community

16 colleges, including but not limited to off-campus programs,

17 summer session programs, overseas programs, evening sessions,

18 study abroad, exchange programs, cultural enrichment programs,

19 and consultative services that help make available the resources

20 of the community colleges to the communities they serve.

21 (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;

(C) Library;

(D) Facility use;

(E) Child care;

(F) Auxiliary enterprises;

(G) Alumni; and

(H) Other related activities."

SECTION 74. Section 304A-2272, Hawaii Revised Statutes, is amended to read as follows:

"[+]§304A-2272[+] **Conference center revolving fund;**  
**University of Hawaii at Hilo.** (a) There is established the conference center revolving fund for [the] conference center [program in the college of continuing education and community service of] programs conducted by the University of Hawaii at



1 Hilo. All fees, charges, and other moneys collected in  
2 conjunction with the conference center [~~program~~] programs shall  
3 be deposited in the revolving fund. The [~~dean of the college of~~  
4 ~~continuing education and community service~~] chancellor of the  
5 University of Hawaii at Hilo or the chancellor's designee is  
6 authorized to expend funds from the revolving fund for all costs  
7 associated with conducting conferences, seminars, and courses by  
8 the conference center [~~program,~~] programs, including but not  
9 limited to expenses for honoraria, hotel and room rentals, food  
10 and refreshment, printing and mailing, airfare and per diem,  
11 [~~leis,~~] lei, rental of audiovisual equipment, and conference  
12 supplies and materials.

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

18 SECTION 75. Section 304A-2156, Hawaii Revised Statutes, is  
19 repealed.

20 [~~"[S304A-2156] University of Hawaii community services~~  
21 ~~special fund.~~ (a) ~~There is established the University of~~



1 ~~Hawaii community services special fund. Except as otherwise~~  
2 ~~provided by law, all revenues, including interest, derived and~~  
3 ~~collected from the university's provision of public service~~  
4 ~~programs shall be deposited into the University of Hawaii~~  
5 ~~community services special fund. The university may establish~~  
6 ~~and collect fees and charges for public service programs. All~~  
7 ~~revenues deposited into the University of Hawaii community~~  
8 ~~services special fund shall be used exclusively for the costs of~~  
9 ~~providing public service programs. The university may establish~~  
10 ~~accounts under the community services special fund to facilitate~~  
11 ~~the administration of this fund among the various campuses and~~  
12 ~~operating units of the University of Hawaii system. All~~  
13 ~~expenditures from this fund shall be subject to legislative~~  
14 ~~appropriation.~~

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

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

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



SECTION 76. 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;~~



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

6           SECTION 77. Section 304A-2277, Hawaii Revised Statutes, is  
7 repealed.

8           ~~[ "**{§304A-2277} Professional student exchange program**~~  
9 ~~**revolving fund.** (a) There is established a professional~~  
10 ~~student exchange program revolving fund to be administered and~~  
11 ~~expended by the Hawaii commission.~~

12           ~~(b) The following moneys shall be deposited into the~~  
13 ~~revolving fund.~~

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

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

20           ~~(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 78. 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 79. 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 80. 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.



1 SECTION 81. Section 28-16, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 "[~~f~~]**\$28-16[~~f~~]** **Litigation deposits trust [~~fund~~]** **account.**

4 (a) There is created in the state treasury the litigation  
5 deposits trust [~~fund~~] account. There shall be deposited into  
6 this [~~fund~~] account all moneys received through any civil action  
7 in which the State is a party where the settlement amount is  
8 \$100,000 or higher, except for those actions involving  
9 departments able to procure their own legal services as provided  
10 for by section 28-8.3 and where no other state statute or court  
11 order specifically provides for the deposit of moneys received  
12 through the action.

13 (b) The [~~fund~~] account shall be administered by the  
14 department of the attorney general. The department shall  
15 maintain accounting records of [~~fund~~] account moneys, including  
16 subsidiary records of individual litigation deposits and  
17 disbursements thereof. Moneys in the [~~fund~~] account may be  
18 separated into subsidiary accounts; provided that one subsidiary  
19 account shall not be commingled with moneys from another  
20 subsidiary account except for deposit or investment purposes  
21 under subsection (d).



1 (c) Disbursements from each subsidiary account maintained  
2 under subsection (b) may include attorney's fees and other  
3 necessary expenses that the department determines to be  
4 reasonable and directly related to prosecution of the civil  
5 action for which the subsidiary account is maintained; provided  
6 that in the case of moneys deposited as a result of recoveries  
7 by an agency to which a non-general fund applies, the moneys  
8 shall be held and disbursed intact for deposit to the credit of  
9 the non-general fund. Money deposited in the [~~fund~~] litigation  
10 deposits trust account pursuant to an order of the court shall  
11 be disbursed in accordance with the order of the court. Any  
12 residual funds remaining in [~~an~~] a subsidiary account shall be  
13 transferred to the respective non-general or general fund with  
14 which the civil action is associated no later than thirty days  
15 after the civil action for which the subsidiary account is  
16 maintained is closed and all costs of that civil action have  
17 been paid, unless otherwise provided for by statute.

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





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

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

7 (2) A summary of the collections made in any amount on  
8 behalf of other departments and agencies specifying  
9 the appropriate number of transactions and amount  
10 collected for each department and agency."

11 SECTION 82. Section 456-9, Hawaii Revised Statutes, is  
12 amended by amending subsection (d) to read as follows:

13 "(d) The moneys collected by the attorney general pursuant  
14 to this section shall be deposited into the notaries public  
15 ~~[revolving]~~ special fund established by section 456-9.5, except  
16 that if that fund is terminated, the moneys shall thereafter be  
17 deposited with the director of finance to the credit of the  
18 general fund."

19 SECTION 83. Section 456-9.5, Hawaii Revised Statutes, is  
20 amended to read as follows:



1       "**\$456-9.5 Notaries public [~~revolving~~ special fund.** (a)

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

4           (1) All fees, administrative fines, charges, or other  
5           payments received pursuant to section 456-9;

6           (2) Penalties and fines for violations of section 456-3 or  
7           456-7;

8           (3) Appropriations made for deposit into the notaries  
9           public [~~revolving~~ special fund; and

10          (4) Interest earned on money in the notaries public  
11          [~~revolving~~ special fund.

12          (b) The notaries public [~~revolving~~ special fund shall be  
13       administered by the department of the attorney general.

14       Notwithstanding any law to the contrary, moneys in the notaries  
15       public [~~revolving~~ special fund shall be used for personnel

16       costs, the acquisition of equipment, and operating and

17       administrative costs deemed necessary by the department of the

18       attorney general to administer this chapter. The moneys in the

19       fund may also be used to train personnel as the attorney general

20       deems necessary, and for any other activity related to notaries

21       public."



SECTION 84. Section 456-18, Hawaii Revised Statutes, is amended to read as follows:

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

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

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

(2) Not be required to:



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

3 (B) Pay any fee to the attorney general for the  
4 issuance of the notary's commission or the  
5 renewal thereof; or

6 (C) Furnish and file an official bond unless that  
7 bond is required by the head of the department in  
8 which the notary is a subordinate, in which  
9 event, the expense of furnishing any such bond  
10 shall be borne by the department concerned; and

11 (3) Not demand or receive any fee for the notary's service  
12 as a notary public; provided that where the occasion,  
13 in the judgment of the head of the department, is  
14 deemed one of urgent necessity and convenience, the  
15 notary may, but shall not be compelled to, administer  
16 oaths or take acknowledgments in nongovernmental  
17 matters, for which services the prescribed fees shall  
18 be demanded and received as governmental realizations  
19 and covered into the notaries public ~~[revolving]~~  
20 special fund established by section 456-9.5, except  
21 that if that fund is terminated, the fees shall



1           thereafter be deposited into the general fund of the  
2           State; provided further that with the prior written  
3           approval of the attorney general, the notary public,  
4           upon paying the fees prescribed by law and upon  
5           executing, depositing, and filing at the notary's own  
6           expense, the required official bond, may demand or  
7           receive the fees prescribed by law for services  
8           rendered by the notary in matters not pertaining to  
9           such public business."

10          SECTION 85. Section 712A-16, Hawaii Revised Statutes, is  
11          amended by amending subsection (4) to read as follows:

12          "(4) There is established in the department of the  
13          attorney general a [~~revolving~~] special fund to be known as the  
14          criminal forfeiture fund, hereinafter referred to as the "fund"  
15          in which shall be deposited one-half of the proceeds of a  
16          forfeiture and any penalties paid pursuant to section  
17          712A-10(6). All moneys in the fund shall be expended by the  
18          attorney general and are appropriated for the following  
19          purposes:

20               (a) The payment of any expenses necessary to seize,  
21               detain, appraise, inventory, safeguard, maintain,



1 advertise, or sell property seized, detained, or  
2 forfeited pursuant to this chapter or of any other  
3 necessary expenses incident to the seizure, detention,  
4 or forfeiture of such property and such contract  
5 services and payments to reimburse any federal, state,  
6 or county agency for any expenditures made to perform  
7 the foregoing functions;

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

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

12 (d) The payment of expenses arising in connection with  
13 programs for training and education of law enforcement  
14 officers;

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

18 (f) The payment of expenses arising in connection with the  
19 law enforcement officer independent review board in  
20 the department of the attorney general."



1       SECTION 86. The Hawaii criminal justice commission trust  
2   account established in 1985 pursuant to the authority granted by  
3   section 28-10.6(a)(5), Hawaii Revised Statutes, is abolished and  
4   any remaining unencumbered balance shall lapse to the credit of  
5   the general fund.

6       SECTION 87. The national mortgage settlement trust account  
7       administratively established in 2012 is abolished and any  
8       remaining unencumbered balance shall lapse to the credit of the  
9       general fund.

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

12           SECTION 88. The purpose and intent of this part is to  
13 repeal or reclassify certain non-general funds and accounts of  
14 the department of transportation pursuant to the recommendations  
15 or commentary by the auditor in auditor's report no. 19-05 and  
16 the accompanying summary and to transfer the unencumbered  
17 balances to the general fund.

18           SECTION 89. Section 264-16, Hawaii Revised Statutes, is  
19 amended to read as follows:

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



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

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

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

18 SECTION 90. Section 291C-3, Hawaii Revised Statutes, is  
19 amended by amending subsection (d) to read as follows:

20 "(d) ~~[The director of transportation, through the safe~~  
21 ~~routes to school program coordinator and in consultation with~~





1 ~~county safe routes to school program coordinators, shall develop~~  
2 ~~a mechanism to provide funds to county safe routes to school~~  
3 ~~programs from the safe routes to school program special fund~~  
4 ~~established under section 291C-4]~~ The legislature shall  
5 appropriate funds from the safe routes to school program special  
6 fund to the counties to be used for the implementation of county  
7 safe routes to school program projects. No later than twenty  
8 days prior to the convening of each regular session, each county  
9 shall submit to the legislature an annual report on the status  
10 and progress of its county safe routes to school program,  
11 including an accounting of all grants provided through the  
12 program and a timeline for future grant awards."

13 SECTION 91. Section 291C-4, Hawaii Revised Statutes, is  
14 amended to read as follows:

15 "[~~+~~]**\$291C-4[+]** **Safe routes to school program special fund;**  
16 **establishment.** [~~+a~~] There is established in the state  
17 treasury the safe routes to school program special fund, into  
18 which shall be deposited:

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



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

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

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

SECTION 92. 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  
projects would unnecessarily increase their cost or  
intensify undesirable transportation conditions.~~

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

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



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

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

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

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

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



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

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

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

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

SECTION 93. The following revolving funds of the  
department of transportation airports division are reclassified  
as trust accounts:

- (1) The airport sinking fund for retire term bond  
revolving fund administratively created in 1969;
- (2) The airport system debt service reserve account  
revolving fund administratively created in 1969;
- (3) The airport system interest account revolving fund  
administratively created in 1969;
- (4) The airport system major maintenance, renewal, and  
replacement account revolving fund administratively  
created in 1969;
- (5) The airport system serial bond principal account  
revolving fund administratively created in 1969;



1 (6) The debt service funded coverage revolving fund  
2 administratively created in 1994;

3 (7) The reserve for airline rate mitigation revolving fund  
4 administratively created in 1994; and

5 (8) The reserve for operating and maintenance expenses  
6 revolving fund administratively created in 1994.

7 SECTION 94. The following revolving funds of the  
8 department of transportation harbors division are reclassified  
9 as trust accounts:

10 (1) The 1997 certificate - harbor interest account  
11 revolving fund administratively created in 1997;

12 (2) The 1997 certificate - harbor principal account  
13 revolving fund administratively created in 1997;

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

17 (4) The harbor extraordinary renewal/replacement reserve  
18 account revolving fund administratively created in  
19 1997.

20 SECTION 95. The risk management fire and casualty losses -  
21 harbors trust fund administratively created in 2006 is abolished



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

3 SECTION 96. The following revolving funds of the  
4 department of transportation highways division are reclassified  
5 as trust accounts:

6 (1) The highway senior interest account revolving fund  
7 administratively created in 1994;

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

10 (3) The highways accrued payroll overhead revolving fund  
11 administratively created in 1983.

12 SECTION 97. The special deposits - highways trust account  
13 administratively created in 1979 is reclassified as a trust  
14 fund.

15 SECTION 98. Any unencumbered balances in the highway  
16 senior debt service reserve account revolving fund  
17 administratively created in 1994 shall be transferred to the  
18 credit of the state highway fund established by section 248-8,  
19 Hawaii Revised Statutes.

20 SECTION 99. All unencumbered balances remaining in the  
21 transportation improvement special fund repealed by this part



1 shall be transferred to the credit of the state highway fund  
2 established by section 248-8, Hawaii Revised Statutes.

3 PART XXII. AUDITOR'S REPORT NO. 21-02, DEPARTMENT OF HUMAN  
4 SERVICES

5 SECTION 100. The purpose of this part is to repeal or  
6 reclassify certain non-general funds of the department of human  
7 services pursuant to the recommendations of the auditor in  
8 auditor report no. 21-02.

9 SECTION 101. The donations for social services trust  
10 account, a trust account that was administratively established  
11 and is administered by the department of human services, is  
12 reclassified as a trust fund.

13 SECTION 102. The Kahikolu Ohana O Waianae project, a trust  
14 fund that was administratively established in 2007 and is  
15 administered by the department of human services, is abolished  
16 and all unencumbered balances remaining shall be lapse to the  
17 credit of the general fund.

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

20 SECTION 103. The purpose of this part is to repeal or  
21 reclassify certain non-general funds of the Hawaii public





1 housing authority pursuant to the recommendations of the auditor  
2 in auditor report no. 21-02.

3 SECTION 104. Section 356D-11, Hawaii Revised Statutes, is  
4 amended by amending subsection (h) to read as follows:

5 "(h) In connection with the development of any public  
6 housing dwelling units under this chapter, the authority may  
7 also develop commercial and industrial properties and sell or  
8 lease other properties if it determines that the uses will be an  
9 integral part of the public housing development or a benefit to  
10 the community in which the properties are situated. The  
11 authority may designate any portions of the public housing  
12 development for commercial, industrial, or other use and shall  
13 have all the powers granted under this chapter with respect  
14 thereto. The authority may use any funding authorized under  
15 this chapter to implement this subsection.

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

19 SECTION 105. Section 356D-28, Hawaii Revised Statutes, is  
20 amended to read as follows:



1       **"§356D-28 Public housing [~~revolving~~] special fund. (a)**

2   There is established the public housing [~~revolving~~] special fund  
3   to be administered by the authority. Notwithstanding section  
4   36-21, the proceeds in the fund shall be used for long-term and  
5   other special financings of the authority and for necessary  
6   expenses in administering this chapter.

7       (b) All moneys received and collected by the authority,  
8   not otherwise pledged, obligated, or required by law to be  
9   placed in any other special fund, shall be deposited into the  
10   public housing [~~revolving~~] special fund."

11       SECTION 106. The financial assistance for housing special  
12   fund, a special fund that was administratively established in  
13   2001 and administered by the Hawaii public housing authority, is  
14   abolished and all unencumbered balances remaining shall lapse to  
15   the credit of the general fund.

16       SECTION 107. The HPHA administration revolving fund,  
17   administratively established in 1982 and administered by the  
18   Hawaii public housing authority, is abolished and all  
19   unencumbered balances remaining shall lapse to the credit of the  
20   general fund.



## 1                   PART XXIV. MISCELLANEOUS PROVISIONS

2           SECTION 108. Except as otherwise provided in this Act, all  
3 unencumbered balances in the funds repealed by this Act shall  
4 lapse to the credit of the general fund.

5           SECTION 109. Statutory material to be repealed is  
6 bracketed and stricken. New statutory material is underscored.

7           SECTION 110. This Act shall take effect on July 1, 2021;  
8 provided that the amendments made to section 712A-16, Hawaii  
9 Revised Statutes, in section 85 of this Act shall not be  
10 repealed when that section is repealed and reenacted on June 30,  
11 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. (SD1)

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

