

STAND. COM. REP. NO.

SSS

Honolulu, Hawaii

FEB 19 , 2021

RE: H.B. No. 61
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Judiciary & Hawaiian Affairs, to which was referred H.B. No. 61 entitled:

"A BILL FOR AN ACT RELATING TO NON-GENERAL FUNDS,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Reclassify the Hawaiian Home Receipts Fund and Supreme Court Bar Examination Fund; and
- (2) Repeal the Probation Services Special Fund.

Your Committee received testimony in opposition to on this measure from the Judiciary and Department of Hawaiian Home Lands. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that recent reports of the Auditor have clouded the classification of the Hawaiian Home Receipt Fund. Specifically, Auditor Report No. 20-16 found that the fund functions like a trust account and should therefore be classified as a trust account. Similarly, in Auditor Report No. 20-17, the Auditor noted that although the Supreme Court Bar Examination Fund is classified as a trust fund, it operates more as a special fund. In the same report, the Auditor noted that the Probation Services

2021-1889 HB61 HD1 HSCR HMSO



Special Fund is not self-sustaining, with expenditures annually exceeding revenues. This measure clears any doubt about the classification and repeal of these funds by adopting the recommendations of the Auditor.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 3021, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 61, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 61, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary &
Hawaiian Affairs,



MARK M. NAKASHIMA, Chair



Record of Votes of the Committee on Judiciary & Hawaiian Affairs

Bill/Resolution No.: HB 61	Committee Referral: JHA, FIN	Date: 2-17-11		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
JHA Members	Ayes	Ayes (WR)	Nays	Excused
1. NAKASHIMA, Mark M. (C)	✓			
2. MATAYOSHI, Scot Z. (VC)	✓			
3. ICHIYAMA, Linda	✓			
4. KOBAYASHI, Dale T.	✓			
5. LoPRESTI, Matthew S.	✓			
6. LOWEN, Nicole E.				✓
7. McKELVEY, Angus L.K.	✓			
8. NAKAMURA, Nadine K.	✓			
9. TAKUMI, Roy M.				✓
10. TODD, Chris	✓			
11. TOKIOKA, James Kunane	✓			
12. WARD, Gene	✓			
TOTAL (12)	10	0	0	2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small style="margin-left: 100px;">committee acronym(s)</small>				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				