



February 29, 2024

VIA EMAIL (senkouchi@capitol.hawaii.gov) **VIA EMAIL** (repsaiki@capitol.hawaii.gov)

The Honorable Ronald D. Kouchi
Senate President
415 South Beretania Street
Hawai'i State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki
Speaker, House of Representatives
415 South Beretania Street
Hawai'i State Capitol, Room 431
Honolulu, Hawai'i 96813

Re: Analyses of Proposed Special and Revolving Funds 2024, Report No. 24-03

Dear President Kouchi and Speaker Saiki:

Pursuant to Section 23-11, Hawai'i Revised Statutes, the Office of the Auditor reviewed 83 Senate and House bills from the 2024 legislative session proposing 65 new special and revolving funds. We are attaching a copy of the report compiling our analyses of new special and revolving funds proposed by 2024 legislative bills. The report and summary have also been uploaded to the Legislature's web-based application.

The report is accessible through the Office of the Auditor's website at:
<https://files.hawaii.gov/auditor/Reports/2024/24-03.pdf>.

The summary is also accessible through the Office of the Auditor's website at:
<https://files.hawaii.gov/auditor/Overviews/2024/24-03AuditorSummary.pdf>.

If you have any questions about the report, please contact me.

Very truly yours,

Leslie H. Kondo
State Auditor

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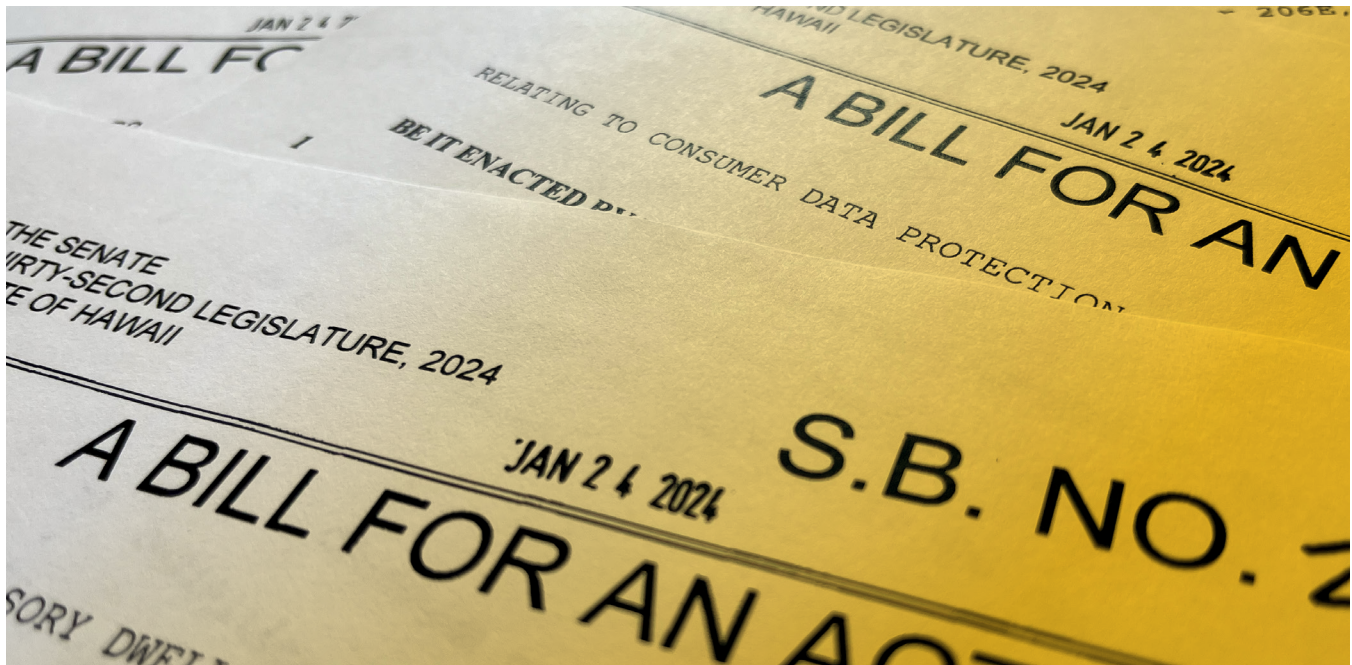
Attachments

cc/attach: Members of the Senate
Members of the House of Representatives
Carol Taniguchi, Senate Chief Clerk
Brian Takeshita, House Chief Clerk

Auditor's Summary

Analyses of Proposed Special and Revolving Funds 2024

Report No. 24-03

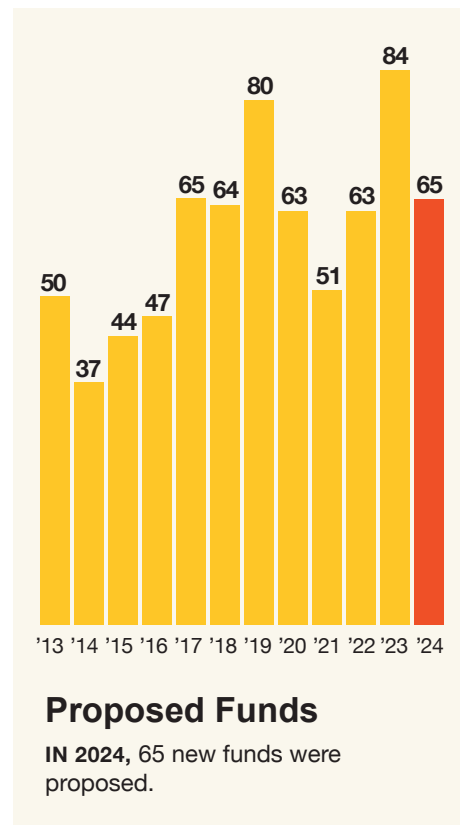


Sixty-five of the funds proposed in 2024 did not meet criteria.

We reviewed 83 Senate and House bills introduced during the 2024 legislative session proposing 65 special and revolving funds of which none met criteria.

ONLY ABOUT HALF OF THE MONEY the State spends each year comes from its main financial account, the General Fund. The other half of expenditures are financed by special, revolving, federal, and trust funds. Between 2008 and 2012, the number of these non-general funds and the amount of money contained in them substantially increased. Much of that upward trend had been caused by an increase in special funds, which are funds set aside by law for a specified object or purpose.

In 2013, the Legislature amended Section 23-11, Hawai'i Revised Statutes (HRS), after the Auditor recommended changes to stem a trend in the proliferation of special and revolving funds over the past 30 years. Such funds erode the Legislature's ability to control the State budget through the general fund appropriation process. General funds, which made up about two-thirds of state operating budget outlays in the late 1980s, had dwindled to about half of outlays.



By 2011, special funds amounted to \$2.48 billion, or 24.3 percent, of the State’s \$10.2 billion operating budget. Also ballooning were revolving funds, which are used to pay for goods and services and are replenished through charges to users of the goods and services or transfers from other accounts or funds. By 2011, revolving funds made up \$384.2 million, or 3.8 percent, of the State’s operating budget. Further hampering the Legislature’s control over the budget process was a 2008 court case. In *Hawai‘i Insurers Council v. Linda Lingle, Governor of the State of Hawai‘i*, the Hawai‘i Supreme Court determined that under only certain conditions could the Legislature “raid” special funds to balance the State budget. In 2013, in order to gain more control over the budget process, the Legislature built new safeguards into the criteria for establishing special and revolving funds.

This year, applying the criteria required by Section 23-11, HRS, we reviewed 83 Senate and House bills introduced during the 2024 legislative session that propose 65 new special and revolving funds. We determined that none of the proposed special and revolving funds satisfied the criteria established by the Legislature.

The Criteria

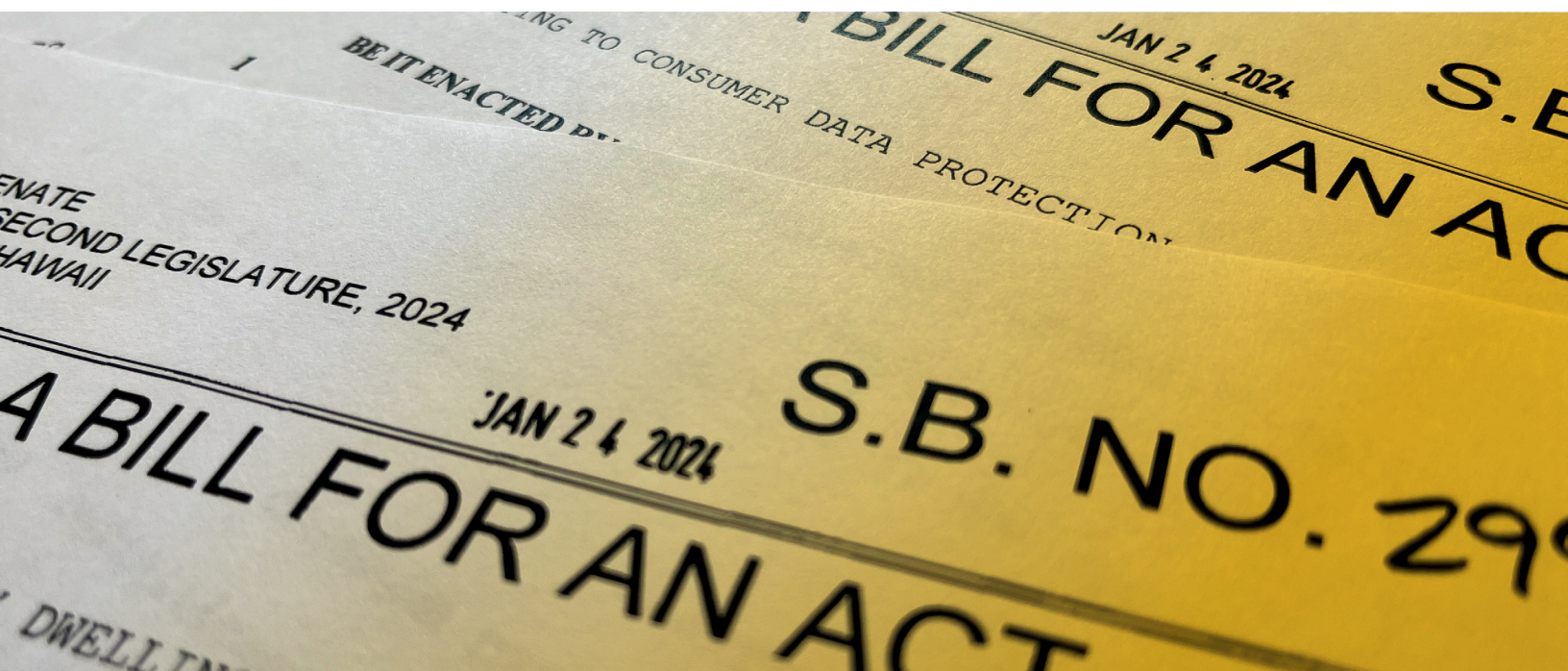
SECTION 23-11, HRS, requires the Auditor to analyze all bills proposing to establish new special or revolving funds according to the following criteria:

1. The need for the fund, as demonstrated by:
 - The purpose of the program to be supported by the fund;
 - The scope of the program, including financial information on fees to be charged, sources of projected revenue, and costs; and
 - An explanation of why the program cannot be implemented successfully under the general fund appropriation process; and
2. Whether there is a clear nexus between the benefits sought and charges made upon the program users or beneficiaries or a clear link between the program and the sources of revenue, as opposed to serving primarily as a means to provide the program or users with an automatic means of support that is removed from the normal budget and appropriation process.

Analyses of Proposed Special and Revolving Funds 2024

Section 23-11, Hawai'i Revised Statutes, requires the Auditor to submit no later than 30 days prior to the end of the legislative session an analysis of each new special or revolving fund proposed by legislative bills.

Report No. 24-03
February 2024



OFFICE OF THE AUDITOR
STATE OF HAWAII



OFFICE OF THE AUDITOR STATE OF HAWAII

Constitutional Mandate

Pursuant to Article VII, Section 10 of the Hawai'i State Constitution, the Office of the Auditor shall conduct post-audits of the transactions, accounts, programs and performance of all departments, offices and agencies of the State and its political subdivisions.

The Auditor's position was established to help eliminate waste and inefficiency in government, provide the Legislature with a check against the powers of the executive branch, and ensure that public funds are expended according to legislative intent.

Hawai'i Revised Statutes, Chapter 23, gives the Auditor broad powers to examine all books, records, files, papers and documents, and financial affairs of every agency. The Auditor also has the authority to summon people to produce records and answer questions under oath.

Our Mission

To improve government through independent and objective analyses.

We provide independent, objective, and meaningful answers to questions about government performance. Our aim is to hold agencies accountable for their policy implementation, program management and expenditure of public funds.

Our Work

We conduct performance audits (also called management or operations audits), which examine the efficiency and effectiveness of government programs or agencies, as well as financial audits, which attest to the fairness of financial statements of the State and its agencies.

Additionally, we perform procurement audits, sunrise analyses and sunset evaluations of proposed regulatory programs, analyses of proposals to mandate health insurance benefits, analyses of proposed special and revolving funds, analyses of existing special, revolving and trust funds, and special studies requested by the Legislature.

We report our findings and make recommendations to the Governor and the Legislature to help them make informed decisions.

For more information on the Office of the Auditor, visit our website:
<https://auditor.hawaii.gov>

Foreword

This report compiles our analyses of new special and revolving funds proposed by 2024 legislative bills. The analyses were prepared in accordance with Section 23-11, Hawai‘i Revised Statutes, which requires the Auditor to analyze all legislative bills introduced each session that propose to establish new special or revolving funds.

Our work was performed from January to February 2024.

Leslie H. Kondo
State Auditor

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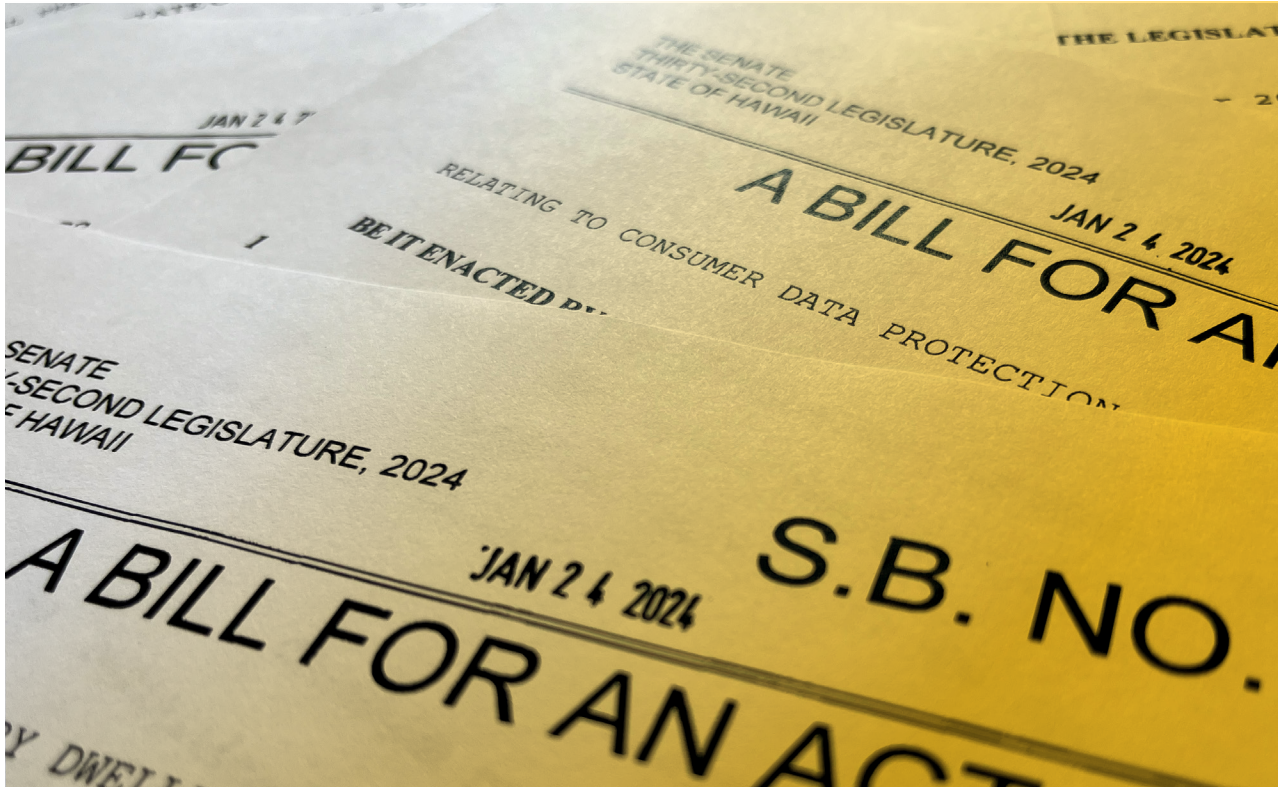


PHOTO: OFFICE OF THE AUDITOR

Analyses of Proposed Special and Revolving Funds 2024

SECTION 23-11, HAWAII REVISD STATUTES (HRS), requires the Auditor to analyze all legislative bills introduced each session that propose to establish new special or revolving funds. Specifically, the Auditor's analysis of each bill must be based on the following criteria:

1. The need for the fund, as demonstrated by:
 - a. The purpose of the program to be supported by the fund;
 - b. The scope of the program, including financial information on fees to be charged, sources of projected revenue, and costs; and
 - c. An explanation of why the program cannot be implemented successfully under the general fund appropriation process; and
2. Whether there is a clear nexus between the benefits sought and charges made upon the program users or beneficiaries or a clear link between the program and the sources of revenue, as opposed to serving primarily as a means to provide the program or users with an automatic means of support that is removed from the normal budget and appropriation process.

**We reviewed
83 Senate and
House bills
proposing
65 special and
revolving funds
during the 2024
legislative session.**

We sent surveys to bill introducers requesting information about the proposed funds, including the need for the fund as set forth in Section 23-11(b)(1), HRS, and nexus as required by Section 23-11(b)(2), HRS.

Our review included survey responses and statutory criteria; we include with each analysis an assessment of alternative forms of funding and, where we are able, the probable effects of the proposed fund.

For any new fund proposed, additional administrative costs associated with the fund may be incurred by central services agencies of state government. Undetermined amounts of revenue will be deposited into the fund and will not be subject to normal lapsing requirements. From a legislative perspective, special and revolving funds are less desirable because the funding stream is not fully controlled by the appropriation process. Legislative control is reduced because special and revolving funds divert moneys from the General Fund and distort the State's financial picture by making revenues and expenditures appear to be less than they are.

We reviewed 83 Senate and House bills proposing 65 special and revolving funds during the 2024 legislative session. None of the proposed funds satisfied the criteria set forth in Section 23-11, HRS, for proposed special and revolving funds.

Exhibit 1 summarizes the results of our analyses.

Exhibit 1
Analyses of Proposed Special and Revolving Funds 2024

First Bill	Fund Name	Only Funding Source HRS § 23-11(b)(1)	Nexus HRS § 23-11(b)(2)	Meets Criteria
HB2550	Accessory Dwelling Unit Grant Revolving Fund	N	P	N
HB2333	Accessory Dwelling Unit Housing Development Program Special Fund	N	P	N
SB2996 and HB2548	Accessory Dwelling Unit Loan Revolving Fund	N	P	N
SB2431	Agricultural Emergency Loan Revolving Fund	N	P	N
SB2674 and HB1685	Alternative Energy Research and Development Revolving Fund	N	N	N
HB2057	Alternative Routes Special Fund	N	N	N
SB2816	Apostilles and Certifications Special Fund	N	N	N
SB3169 and HB2480	Apostilles and Certifications Special Fund	N	N	N
SB2443 and HB2267	Automated Speed Enforcement Systems Program Special Fund	N	P	N
SB3248 and HB2044	Broadband and Digital Equity Special Fund	N	P	N
SB3335 and HB2600	Cannabis Law Enforcement Special Fund	N	P	N
SB3335 and HB2600	Cannabis Nuisance Abatement Special Fund	N	P	N
SB3335 and HB2600	Cannabis Regulation Special Fund	N	P	N
SB3335 and HB2600	Cannabis Social Equity Special Fund	N	P	N
SB2525 and HB2178	Carbon Emissions Tax and Dividend Special Fund	P	Y	N

Y = Yes N = No P = Partial U = Unclear

Bill	Fund Name	Only Funding Source	Nexus	Meets Criteria
		HRS § 23-11(b)(1)	HRS § 23-11(b)(2)	
HB2762	Casino Gaming Special Fund	N	Y	N
HB2066	Cesspool Conversion Loan Special Fund	N	P	N
HB2688	Clean Vehicle Special Fund	N	P	N
SB3095 and HB2406	Climate Health and Environmental Action Special Fund	N	N	N
SB2170 and HB2639	Combat Sports Commission Special Fund	N	P	N
SB3018	Consumer Privacy Special Fund	N	P	N
SB2309	Consumer Privacy Special Fund	N	P	N
HB2725	Corrections Facilities Special Fund	N	P	N
SB2980 and HB2693	Cultural Corridor Special Fund	N	P	N
SB3153 and HB2464	Dam and Appurtenance Improvement or Removal Grant Program Special Fund	Y	P	N
HB2113	Daniel K. Inouye College of Pharmacy Special Fund	N	P	N
SB2581 and HB1668	Data Brokers' Registry Special Fund	N	P	N
HB2149	Death Care Industry Board Special Fund	N	U	N
HB2610	Disaster Relief Match Special Fund	Y	Y	N
SB3328	Educational Facilities and Real Estate Development Special Fund	N	P	N
HB2544	Essential Rural Medical Air Transport Revolving Fund	N	P	N
HB2747	Filmmakers Special Fund	N	P	N
SB2906	Firefighting Special Fund	N	U	N
HB2036	Fire-free Revolving Fund	N	P	N
HB2721	Fireshed Management Special Fund	N	P	N
SB2357	Green Environmental Fee Special Fund	N	P	N
SB2984	Hawai'i Capital Loan Revolving Fund	N	P	N
HB2166	Hawai'i Environmental Protection Agency Special Fund	N	P	N
SB2479 and HB2137	Hawai'i Food Assistance Program Special Fund	N	P	N

Y = Yes N = No P = Partial U = Unclear

Bill	Fund Name	Only Funding Source	Nexus	Meets Criteria
		HRS § 23-11(b)(1)	HRS § 23-11(b)(2)	
SB3263 and HB2739	Hawai'i Home Energy Assistance Program Special Fund	N	P	N
HB2806	Hawai'i Opioid Litigation Proceeds Special Fund	N	P	N
SB2065	Hawai'i Residential Developers Loan Revolving Fund	N	P	N
HB2724	Kona Community Development District Special Fund	N	P	N
SB3381	Lele Community Special Fund	N	P	N
SB3240	Maui Infrastructure Resiliency Revolving Fund	N	U	N
SB3206, HB2681, and HB1745	Ombudsman's Office Special Fund	N	Y	N
SB3205 and HB2680	Ombudsman's Office Special Fund	N	Y	N
SB2868	Online Fantasy Sports Contests Special Fund	N	N	N
SB2766 and HB1781	Pana'ewa Community Development District Special Fund	N	P	N
SB3335 and HB2600	Public Health and Education Special Fund	N	P	N
SB3335 and HB2600	Public Safety Special Fund	N	P	N
SB3338 and HB2690	Red Hill Remediation Special Fund	N	P	N
SB3339 and HB2691	Red Hill Remediation Special Fund	N	P	N
SB2982 and HB2164	Regenerative Tourism Special Fund	N	P	N
HB2687	Resilience Hub and Network Grant Program Special Fund	N	P	N
SB3244	Resilience Hubs Revolving Fund	N	P	N
SB2798	Search and Rescue Special Fund	N	P	N
HB1933	Sobriety Checkpoint Special Fund	N	P	N

Y = Yes N = No P = Partial U = Unclear

Bill	Fund Name	Only Funding Source <small>HRS § 23-11(b)(1)</small>	Nexus <small>HRS § 23-11(b)(2)</small>	Meets Criteria
SB3342	Spay and Neuter Special Fund	N	P	N
HB2624	Substance Abuse Treatment Special Fund	N	P	N
SB3232 and HB2572	Teacher Loan Program Revolving Fund	N	P	N
HB1517	Tourism Special Fund	N	P	N
SB2166	Visitor Impact Special Fund	N	P	N
SB2086 and HB1547	Wildfire Bond Loan Fund	N	U	N
HB1736	Wildfire Victim Down Payment Special Fund	N	P	N

Y = Yes N = No P = Partial U = Unclear

Accessory Dwelling Unit Grant Revolving Fund

H.B. No. 2550

Does Not Meet Criteria

Fund Analysis

Department/agency	Hawai‘i Housing Finance and Development Corporation
Fund Type	Revolving fund
Purpose of Proposed Fund	The bill establishes the Accessory Dwelling Unit Grant Program and the Accessory Dwelling Unit Grant Revolving Fund. The program is to award grants to eligible homeowners to finance development costs and non-reoccurring closing costs associated with the construction of an accessory dwelling unit. The purpose of the fund is to implement and support the program. Moneys in the fund will be used to award grants to eligible homeowners to finance the construction of accessory dwelling units.
Revenue	Revenues for the fund are from legislative appropriations; private contributions; repayment of grants by homeowners; program fees, premiums, and costs; and funds from other sources. The bill also proposes that an unspecified amount of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bill does not satisfy criteria for establishing a revolving fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a revolving fund is needed to support the program. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the program and private contributions, repayment of grants, and program fees collected. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.4, HRS, revolving funds must demonstrate the capacity to be financially self-sustaining.

Accessory Dwelling Unit Housing Development Program Special Fund

H.B. No. 2333

Does Not Meet Criteria

Fund Analysis

Department/agency	Hawai‘i Community Development Authority
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Accessory Dwelling Unit Housing Development Program and the Accessory Dwelling Unit Housing Development Program Special Fund. The program is to encourage the construction of accessory dwelling units by providing a construction subsidy and temporary general excise tax exemption. The purpose of the fund is to award matching funds for the program. Moneys in the fund will be used to provide matching funds for homeowners who construct accessory dwelling units up to an unspecified maximum dollar amount.
Revenue	Revenues for the fund are from legislative appropriations; public or private contributions; interest earned or accrued; and any other sources. The bill also proposes that an unspecified amount of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the program. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the program and the contributions from public or private partners, and earnings on moneys in the fund. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Accessory Dwelling Unit Loan Revolving Fund

S.B. No. 2996 and H.B. No. 2548

Does Not Meet Criteria

Fund Analysis	
Department/agency	Hawai'i Housing Finance and Development Corporation
Fund Type	Revolving fund
Purpose of Proposed Fund	The bills establish the Accessory Dwelling Unit Loan Program and the Accessory Dwelling Unit Loan Revolving Fund. The purpose of the program is to promote affordable housing by establishing a loan program. The fund supports the program. Moneys in the fund will be used to disburse loans and grants to eligible applicants.
Revenue	Revenues for the fund are from program fees, premiums, and charges; legislative appropriations; private contributions; repayment of loans; interest; and other sources. The bills also propose that an unspecified amount of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bills do not satisfy criteria for establishing a revolving fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a revolving fund is needed to support the program. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the program and private contributions, repayment of loans, and program fees collected. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.4, HRS, revolving funds must demonstrate the capacity to be financially self-sustaining.

Agricultural Emergency Loan Revolving Fund

S.B. No. 2431

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Agriculture
Fund Type	Revolving fund
Purpose of Proposed Fund	The bill establishes the Agricultural Emergency Loan Revolving Fund. The purpose of the fund is to fund Class D emergency agricultural loans. Moneys will be used to fund Class D emergency loans made pursuant to Section 155-9(e), HRS.
Revenue	Revenues for the fund are from the principal portion of loan repayments and legislative appropriations. The bill also proposes that an unspecified amount of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bill does not satisfy criteria for establishing a revolving fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a revolving fund is needed to support the activities described in the bill. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the distributed emergency loans and loan repayments. However, nexus or linkage does not exist between distributed emergency loans and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The Agricultural Loan Revolving Fund and the General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.4, HRS, revolving funds must demonstrate the capacity to be financially self-sustaining.

Alternative Energy Research and Development Revolving Fund S.B. No. 2674 and H.B. No. 1685 Does Not Meet Criteria

Fund Analysis

Department/agency	Department of Business, Economic Development and Tourism
Fund Type	Revolving fund
Purpose of Proposed Fund	The bills temporarily re-establish the Hawai‘i Office of Naval Research Grant Program and establish the Alternative Energy Research and Development Revolving Fund. The purpose of the program is to promote research and development of alternative energy in the State by authorizing the Hawai‘i Technology Development Corporation to provide matching grants to qualified Hawai‘i businesses that have been awarded an alternative energy research grant from the United States Department of Defense Office of Naval Research. The fund awards grants to qualified Hawai‘i businesses, not to exceed fifty percent of the amount of the grant awarded by the United States Department of Defense Office of Naval Research.
Revenue	Revenues are from the General Fund. The bills appropriate an unspecified amount of general funds to the fund for fiscal year 2024-2025.
Analysis	The bills do not satisfy criteria for establishing a revolving fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a revolving fund is needed to support the program. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	No. Pursuant to Section 37-52.4, HRS, revolving funds must demonstrate the capacity to be financially self-sustaining.

Alternative Routes Special Fund

H.B. No. 2057

Does Not Meet Criteria

Fund Analysis

Department/agency	Department of Transportation
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Alternative Routes Special Fund. The purpose of the fund is to collect a surcharge against new motor vehicle dealers based on a percentage of gross proceeds of new motor vehicle sales to develop alternative transportation routes for ingress and egress in the event of a disaster. Moneys in the fund will be used for the construction of public highways that are intended to serve as alternative routes.
Revenue	Revenues for the fund are from a surcharge against new motor vehicle dealers based on a percentage of gross proceeds of new motor vehicle sales, and legislative appropriations.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the project. An explanation of why the project described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage does not exist between the construction of alternative transportation routes and a surcharge assessed on new motor vehicle sales throughout the State. The bill does not provide enough information to determine what parts of the State would benefit from the new routes.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Apostilles and Certifications Special Fund

S.B. No. 2816

Does Not Meet Criteria

Fund Analysis

Department/agency	Office of the Lieutenant Governor
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Apostilles and Certifications Special Fund. The purpose of the fund is to hold fees of \$10 collected for each apostille or non-apostille certification issued. Moneys in the fund will be used for operational expenses of the Office of the Lieutenant Governor, including postage and supplies.
Revenue	Revenues for the fund are fees collected for each apostille and non-apostille certification, interest earned on moneys in the special fund, and legislative appropriations. The bill proposes that \$10,000 of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage does not exist between apostilles and certifications and all operations of the Office of the Lieutenant Governor and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.
Additional Information	This fund is similar to the fund established in S.B. No. 3169 and H.B. No. 2480; however, the general fund appropriation for fiscal year 2024-2025 is different.

Apostilles and Certifications Special Fund S.B. No. 3169 and H.B. No. 2480 Does Not Meet Criteria

Fund Analysis	
Department/agency	Office of the Lieutenant Governor
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish the Apostilles and Certifications Special Fund. The purpose of the fund is to hold fees of \$10 collected for each apostille or non-apostille certification issued. Moneys in the fund will be used for operational expenses of the Office of the Lieutenant Governor, including modernization, postage, and supplies.
Revenue	Revenues for the fund are from fees collected for each apostille or non-apostille certification, interest earned on money in the fund, and legislative appropriations. The bill also proposes that \$12,000 of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the activities. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided. The activities described in the bills are already implemented through the general fund appropriation process; however, the Office of the Lieutenant Governor is unable to accept credit card or web-based payment and those seeking an apostille or certification must pay \$1 per authentication in cash or obtain a cashier's check.
Nexus or Linkage	Nexus or linkage does not exist between the activities described and fees collected on each certification and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	According to the Office of the Lieutenant Governor, if the proposed special fund is established the Office of the Lieutenant Governor will be better able to service people who are seeking apostille and non-apostille certifications, such as powers of attorney, marriage certificates, birth certificates, divorce decrees, probated and un-probated wills, judgments, agreements, and transcripts.
Alternative Forms of Funding	The General Fund.

Self-Sustaining

It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Additional Information

This fund is similar to the fund established in S.B. No. 2816; however, the general fund appropriation for fiscal year 2024-2025 is different.

Automated Speed Enforcement Systems Program Special Fund S.B. No. 2443 and H.B. No. 2267 Does Not Meet Criteria

Fund Analysis

Department/agency	Department of Transportation
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish the Automated Speed Enforcement Systems Program and Automated Speed Enforcement Systems Program Special Fund. The purpose of the program is to improve enforcement of speed restriction laws and implement automated speed enforcement systems in not more than ten school zones throughout the state. The fund holds fines assessed by the program. Moneys in the fund will be used for the establishment, implementation, operation, oversight, management, repair, and maintenance of an automated speed enforcement system, a device used for traffic enforcement that includes a vehicle sensor working in conjunction and synchronization with a speed measuring device and a camera.
Revenue	Revenues for the fund are from fines assessed by the program. The bills also propose that an unspecified amount of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the program. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between program and the program fines. Nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Broadband and Digital Equity Special Fund

S.B. No. 3248 and H.B. No. 2044

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Business, Economic Development and Tourism
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish the Digital Equity Grant Program and the Broadband and Digital Equity Special Fund. The purpose of the program is to award grants and create an environment in which all people in the state have the information technology capacity needed for full participation in society. Moneys in the fund will be used for payments of grants and expenses arising from the grant programs in support of broadband infrastructure, innovation, and the digital economy.
Revenue	Revenues for the fund are from legislative appropriations; federal grants; gifts, donations, and grants from public agencies and private persons; and investment income earned or accrued on moneys in the fund.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the program. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the program and federal grants; gifts, donations and grants from public agencies and private persons; and investment income earned or accrued. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Cannabis Law Enforcement Special Fund

S.B. No. 3335 and H.B. No. 2600

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Law Enforcement
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish the Cannabis Enforcement Unit, the Cannabis Law Enforcement Special Fund, and five other special funds. The unit provides law enforcement assistance in the investigation and enforcement of Hawai‘i Cannabis Laws and criminal laws relating to marijuana or marijuana concentrate, particularly against those involving the illicit cannabis trade. The purpose of the fund is to support the implementation and administration of the Cannabis Enforcement Unit. Moneys in the fund will be used by the unit to prevent (1) the distribution of cannabis to minors; (2) revenues from the sale of cannabis from going to criminal enterprises, gangs, and cartels; (3) the diversion of cannabis from the legal market; (4) State-authorized cannabis activity from being used as a cover or pretext for trafficking of other illegal drugs or activity; (5) violence and the use of firearms in the cultivation and distribution of cannabis; and (6) the cultivation of cannabis on public lands and the attendant public safety and environmental dangers posed by cannabis production on public lands.
Revenue	Revenues for the fund are from 7.5 percent of the tax collected on persons engaging or continuing in the business of retailing cannabis; legislative appropriations; interest earned; and contributions, grants, endowments, or gifts. The bills also propose that \$2,500,000 of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the unit. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the unit and the tax collected on persons engaging or continuing in the business of retailing cannabis; interest earned; and contributions, grants, endowments, or gifts. However, nexus or linkage does not exist between the activities of the unit and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.

Alternative Forms of Funding

The General Fund.

Self-Sustaining

It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Additional Information

S.B. No. 3335 and H.B. No. 2600 also establish the following special funds: Cannabis Nuisance Abatement Special Fund, Cannabis Regulation Special Fund, Cannabis Social Equity Special Fund, Public Health and Education Special Fund, and Public Safety Special Fund.

Cannabis Nuisance Abatement Special Fund

S.B. No. 3335 and H.B. No. 2600

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of the Attorney General
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish the Drug Nuisance Abatement Unit, the Cannabis Nuisance Abatement Special Fund, and five other special funds. The unit provides for the effective enforcement and prosecution of violations of the nuisance abatement laws pursuant to Chapter 712, Part V, HRS, relating to cannabis. The purpose of the fund is to implement and administer the Drug Nuisance Abatement Unit. Moneys in the fund will be used to fund eight full-time positions in the Drug Nuisance Abatement Unit.
Revenue	Revenues for the fund are from 7.5 percent of the tax collected on persons engaging or continuing in the business of retailing cannabis; legislative appropriations; interest earned; and contributions, grants, endowments, or gifts. The bills also propose that \$1,500,000 of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the unit. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the activities of the unit and the tax collected on persons engaging or continuing in the business of retailing cannabis; interest earned; and contributions, grants, endowments, or gifts. However, nexus or linkage does not exist between the activities of the unit and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Additional Information

S.B. No. 3335 and H.B. No. 2600 also establish the following special funds: Cannabis Law Enforcement Special Fund, Cannabis Regulation Special Fund, Cannabis Social Equity Special Fund, Public Health and Education Special Fund, and Public Safety Special Fund.

Cannabis Regulation Special Fund

S.B. No. 3335 and H.B. No. 2600

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Commerce and Consumer Affairs
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish the Hawai‘i Cannabis Authority within the Department of Commerce and Consumer Affairs for administrative purposes, the Cannabis Regulation Special Fund, and five other special funds. The Hawai‘i Cannabis Authority regulates all aspects of the cannabis plant in accordance with Hawai‘i Cannabis Law. The Hawai‘i Cannabis Law will provide safe harbor from state or county criminal prosecution concerning activities related to cannabis and legalize the sale and possession of cannabis for non-medical adult use beginning January 1, 2026. The purpose of the fund is to support the implementation, administration, and enforcement of the Hawai‘i Cannabis Law.
Revenue	Revenues for the fund are from 35 percent of the tax collected on persons engaging or continuing in the business of retailing cannabis; fees, fines, and civil penalties received pursuant to the Hawai‘i Cannabis Law; and legislative appropriations. The bills also propose that \$10,000,000 of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support implementation, administration, and enforcement of the Hawai‘i Cannabis Law. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between activities of the authority and the tax collected on persons engaging or continuing in the business of retailing cannabis and fees, fines, and civil penalties received pursuant to the Hawai‘i Cannabis Law. However, nexus or linkage does not exist between the activities of the authority and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.

Self-Sustaining

It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Additional Information

S.B. No. 3335 and H.B. No. 2600 also establish the following special funds: Cannabis Law Enforcement Special Fund, Cannabis Nuisance Abatement Special Fund, Cannabis Social Equity Special Fund, Public Health and Education Special Fund, and Public Safety Special Fund.

Cannabis Social Equity Special Fund

S.B. No. 3335 and H.B. No. 2600

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Commerce and Consumer Affairs
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish the Hawai'i Cannabis Authority within the Department of Commerce and Consumer Affairs for administrative purposes, the Social Equity Program, the Cannabis Social Equity Special Fund, and five other funds. The program provides grants to social equity applicants to participate in the State's regulated cannabis industry; and providing grants to applicants that are community-based organizations for the purpose of developing, implementing, and supporting nonprofit projects, services, and programs that address community needs of disproportionately impacted areas, including housing and childcare programs. The purpose of the fund is for implementation and administration of the Social Equity Program.
Revenue	Revenues for the fund are from 25 percent of the tax collected on persons engaging or continuing in the business of retailing cannabis; legislative appropriations; interest earned; and contributions, grants, endowments, or gifts. The bills also propose that \$10,000,000 of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the program. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between program and tax collected on persons engaging or continuing in the business of retailing cannabis; interest earned; and contributions, grants, endowments, and gifts. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Additional Information

S.B. No. 3335 and H.B. No. 2600 also establish the following special funds: Cannabis Law Enforcement Special Fund, Cannabis Nuisance Abatement Special Fund, Cannabis Regulation Special Fund, Public Health and Education Special Fund, and Public Safety Special Fund.

Carbon Emissions Tax and Dividend Special Fund S.B. No. 2525 and H.B. No. 2178 Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Taxation
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish a Carbon Cashback Program and the Carbon Emissions Tax and Dividend Special Fund. The purpose of the program is to reduce Hawai‘i’s greenhouse gas emissions by taxing fossil fuels, and to provide financial relief through a refundable tax credit. The bills expand the environmental response, energy, and food security tax to include a carbon emissions tax to fund a refundable tax credit. Moneys in the fund will be used to administer the environmental response, energy, carbon emissions, and food security tax; administer the refundable tax credit; and to increase public awareness and interest in the refundable tax credit.
Revenue	Revenues for the fund are from a portion of the environmental response, energy, and food security tax pursuant to Section 243-3.5, HRS, referred to as the carbon emissions tax. The bills propose that \$1,000,000 in tax revenues collected will be deposited into the fund each fiscal year and any excess will be deposited into the General Fund.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	According to a questionnaire received related to this fund, it is needed to support the Carbon Cashback Program, as taxes collected pursuant to the environmental response, energy, carbon emissions, and food security tax will be used to pay refundable carbon cashback tax credits to Hawai‘i residents. A dedicated fund for payment of refundable carbon cashback tax credits is necessary to ensure the availability of funds for these payments. However, we note that there are other tax credits that do not require dedicated funds; therefore, the explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process is insufficient.
Nexus or Linkage	Nexus or linkage exists between the program and the environmental response, energy, and food security tax under Section 243-3.5, HRS.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.

Self-Sustaining

It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Casino Gaming Special Fund

H.B. No. 2762

Does Not Meet Criteria

Fund Analysis	
Department/agency	Office of Hawaiian Affairs
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes a Hawai'i Gaming Commission within the Office of Hawaiian Affairs for administrative purposes and the Casino Gaming Special Fund. The commission oversees casino gaming on a resort property controlled by the Office of Hawaiian Affairs. The purpose of the Casino Gaming Special Fund is to support the creation and oversight of a casino resort. Moneys in the fund will be used to support the commission's operations.
Revenue	Revenues for the fund are from a development agreement between the gaming licensee and the Office of Hawaiian Affairs; a portion of a wagering tax imposed on casino gaming licensees; legislative appropriations; and interest earned. The bill also proposes that \$5,000,000 of general funds be appropriated into the fund for fiscal year 2024-2025, and the gaming licensee shall reimburse that amount, net of its application fee, to the Office of Hawaiian Affairs on the first day that the casino opens for operations.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the commission and its activities. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the commission's activities and revenue from a development agreement with a gaming licensee, a portion of a wagering tax on casino gaming licensees, and interest earned. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund and the Native Hawaiian Trust Fund.
Self-Sustaining	It is unclear whether the fund would self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Cesspool Conversion Loan Special Fund

H.B. No. 2066

Does Not Meet Criteria

Fund Analysis	
Department/agency	Hawai‘i Green Infrastructure Authority
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Cesspool Conversion Loan Special Fund. The purpose of the fund is to create a new financing mechanism for Hawai‘i homeowners to accelerate the conversion of cesspools. Moneys in the fund will be used to provide low-interest loans or other authorized financial assistance to eligible low and moderate-income households to upgrade or convert existing cesspools to Department of Health-approved wastewater systems or connect to sewage systems; and to cover administrative and legal costs of fund management and management associated with individual loans.
Revenue	Revenues for the fund are from legislative appropriations; federal, state, county, private or other funding sources; repayment of loans and interest payments; and any other fees collected by the authority from funds advanced from proceeds of the fund. The bill also proposes that an unspecified amount of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the activities. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between activities and federal, state, county, private, or other funding sources; repayment of loans and interest payments; and fees collected by the authority as a result of funds advanced from proceeds of the fund. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Clean Vehicle Special Fund

H.B. No. 2688

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Business, Economic Development and Tourism
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Clean Vehicle Special Fund to help the state reduce carbon emissions from ground transportation. The fund will be used to provide rebates on the purchase of new electric vehicles and collect taxes on the purchase of new gasoline-powered motor vehicles that emit high amounts of carbon.
Revenue	Revenues for the fund are from a tax on gasoline-powered vehicles, legislative appropriations, and interest earned.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the activities. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the activities and the proposed tax on gasoline-powered vehicles and interest earned. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining. The bill states that the program is intended to be financially self-sustaining; however, the bill also cites legislative appropriations as a source of revenue for the fund.

Climate Health and Environmental Action Special Fund S.B. No. 3095 and H.B. No. 2406 Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Land and Natural Resources
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish the Climate Health and Environmental Action Special Fund. The purpose of the fund is to mitigate and respond to the impacts of climate crises. Moneys in the fund will be used for wildfire prevention and response; flood prevention; coral reef protection and restoration; emergency drinking water supplies; emergency sources of electricity; heat management; shoreline restoration and coastal management; preparation of climate crises prevention and response strategies and plans; and administrative costs related to this effort. The bills also propose that 25 percent of the funds each year should be provided as grants to counties and nonprofit organizations for climate crisis prevention projects.
Revenue	Revenues for the fund are from a \$25 monthly tax on transient accommodations; revenues directed to the fund by the Chairperson of the Board of Land and Natural Resources; and legislative appropriations. The bills also propose that \$500,000 of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the activities. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage does not exist between the activities and the \$25 monthly tax on transient accommodations, revenues directed to the fund by the Chairperson, or continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	Yes. Projected revenues for the fund are \$68,400,000 and projected expenses for project administration are approximately \$5,000,000. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Combat Sports Commission Special Fund S.B. No. 2170 and H.B. No. 2639 Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Commerce and Consumer Affairs
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish the Combat Sports Commission of Hawai‘i within the Department of Commerce and Consumer Affairs for administrative purposes and the Combat Sports Commission Special Fund. The commission regulates combat sports in the State. The purpose of the fund is to support the operations of the commission. Moneys in the fund will be used for compensating commissioners and inspectors and administrative costs of the commission.
Revenue	Revenues for the fund are from fees, penalties, and fines relating to the regulation of combat sports; legislative appropriations; and interest earned. The bills also propose that an unspecified amount of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the commission’s activities. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the activities and fees, penalties, and fines relating to the regulation of combat sports and interest earned. However, nexus or linkage does not exist between the activities and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Consumer Privacy Special Fund

S.B. No. 3018

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of the Attorney General
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Consumer Data Protection Act and the Consumer Privacy Special Fund. The program establishes a framework to regulate controllers and processors with access to personal consumer data. The purpose of the fund is to support the department’s activities required by the Consumer Data Protection Act. Moneys in the fund will be used for department activities required by the Act, such as receiving consumer complaints, evaluation of data protection assessments for compliance, investigations of alleged violations, and enforcement of the Act.
Revenue	Revenues for the fund are from civil penalties, expenses, and attorney fees collected pursuant to the Consumer Data Protection Act; interest earned; and legislative appropriations. The bill also proposes that an unspecified amount of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the activities of the department. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the activities and civil penalties, expenses, and attorney fees collected pursuant to the Consumer Data Protection Act and interest earned. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Consumer Privacy Special Fund

S.B. No. 2309

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of the Attorney General
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Hawai'i Age-Appropriate Design Code, the Children's Data Protection Working Group, and the Consumer Privacy Special Fund. The code promotes privacy protections for children and ensure that online products, services, or features that are likely to be accessed by children are designed in a manner that recognizes the distinct needs of children at different age ranges. The working group is to assess and develop recommendations on the best practices for the implementation of the code. The fund offsets costs incurred to administer the code.
Revenue	Revenues for the fund are from civil penalties, expenses, and attorney fees collected pursuant to the Act; interest earned; and legislative appropriations.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the activities required. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the activities and civil penalties, expenses, and attorney fees collected pursuant to the Act. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Corrections Facilities Special Fund

H.B. No. 2725

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Corrections and Rehabilitation
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Corrections Facilities Authority within the Department of Corrections and Rehabilitation for administrative purposes and the Corrections Facilities Special Fund. The authority is to be responsible for all public corrections development, planning, and construction related to capital improvement projects assigned by the Legislature or Governor. The purpose of the fund is to collect money received by the authority. Moneys in the fund will be used to fund corrections development, planning, or construction projects within the jurisdiction of the authority.
Revenue	Revenues for the fund are legislative appropriations; grants, gifts, endowments, or donations for the development, planning, or construction of new corrections facilities or major renovations of corrections facilities; and other money received by the authority.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the authority. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the authority and grants, gifts, endowments, or donations. However, nexus or linkage does not exist between the authority and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Cultural Corridor Special Fund S.B. No. 2980 and H.B. No. 2693 Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Business, Economic Development and Tourism
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish the Cultural Corridor Authority within the Department of Business, Economic Development and Tourism for administrative purposes, the District-Wide Improvement Program, and the Cultural Corridor Special Fund. The purpose of the authority is to determine a shared vision for redevelopment of areas of the State affected by disaster and established by the Legislature as cultural corridor districts. The program identifies necessary district-wide public facilities within a cultural corridor district that will benefit from improved public facilities. The fund collects all receipts and revenues of the authority. It is unclear what the money in the fund will be used for; however, the bills state the fund can be used to make up any deficiencies in a separate special fund yet to be established.
Revenue	Revenues for the fund are from real property tax assessments against real property in the cultural corridor district benefiting from the public facilities, except if the public facilities are financed by the issuance of bonds, which will be set apart in a separate special fund. Revenues may also include any surplus remaining from separate special funds that collect money to fund the District-Wide Improvement Program. It is unclear what receipts and revenue will be received and collected by the authority.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the authority or the program. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the program and real property tax assessments for cultural corridor districts benefitting from public facilities in those districts. However, it is unclear whether nexus or linkage exists between the program and other revenue sources that may be collected by the authority.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.

Self-Sustaining

It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Dam and Appurtenance Improvement or Removal Grant Program Special Fund

S.B. No. 3153 and H.B. No. 2464

Does Not Meet Criteria

Fund Analysis

Department/agency	Department of Land and Natural Resources
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish the Dam and Appurtenance Improvement or Removal Grant Program Special Fund. The existing Dam and Appurtenance Improvement or Removal Grant Program provides funding to owners of private dams for plans, design, construction, and equipment to improve or remove deficient dams and appurtenances as determined by the Department of Land and Natural Resources. The purpose of the fund is to support the program and provide grants to owners of private dams for improvement or removal. Moneys in the fund will also be used to administer the program, including funding permanent or temporary positions.
Revenue	Revenues for the fund are from legislative appropriations; moneys derived from public or private sources to benefit dam and appurtenance improvement or removal; moneys collected under Section 179D-31, HRS; and interest, dividends, or other sources. The bills also propose that \$10,000,000 of general funds be appropriated into the fund for fiscal year 2024-2025 as seed funding for the program.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	According to the department, a special fund is needed to support the program because general fund appropriations will lapse every year, which is not conducive to the grant process.
Nexus or Linkage	Nexus or linkage exists between the program and public or private contributions to benefit the dam and appurtenance improvement or removal. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The program is currently funded by general fund appropriations.

Self-Sustaining

It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Additional Information

The bills note the \$10,000,000 in general funds appropriated for the program by Act 134, Session Laws of Hawai'i 2023, is anticipated to lapse before the department can complete its rulemaking and establish the grant application criteria and processes without the establishment of a special fund.

Daniel K. Inouye College of Pharmacy Special Fund

H.B. No. 2113

Does Not Meet Criteria

Fund Analysis	
Department/agency	University of Hawai‘i
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Daniel K. Inouye College of Pharmacy Special Fund. The bill proposes to establish a pharmacist workforce assessment fee and special fund to fund activities of the Daniel K. Inouye College of Pharmacy. Moneys in the fund will be used to support the Daniel K. Inouye College of Pharmacy’s activities related to pharmacist workforce assessment and planning, including the recruitment and retention of pharmacists for rural and medically underserved areas of the state.
Revenue	Revenues for the fund are from pharmacist workforce assessment fees assessed upon every license and permit issued by the Board of Pharmacy; legislative appropriations; grants, donations, gifts, or other income; and interest earned. The bill also proposes that an unspecified amount from the Department of Commerce and Consumer Affairs’ Compliance Resolution Fund be appropriated into the fund for fiscal year 2024-2025 to be repaid later.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the activities. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the activities and the pharmacist workforce assessment fees assessed upon every license and permit issued by the Board of Pharmacy; grants, donations, and gifts; and interest earned. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Data Brokers' Registry Special Fund

S.B. No. 2581 and H.B. No. 1668

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Commerce and Consumer Affairs
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish the Data Brokers' Registry Special Fund. The purpose of the bills is to require data brokers to register with the Department of Commerce and Consumer Affairs' Office of Consumer Protection and pay a registration fee. The bills also require the Office of Consumer Protection to establish an accessible deletion mechanism to allow a consumer to request the deletion of all personal information related to that consumer through a single deletion request. The purpose of the fund is to support the data brokers' registry. Moneys in the fund will be used to establish and maintain the Office of Consumer Protection's informational website pertaining to data brokers; for costs incurred by the state courts and Office of Consumer Protection in connection with enforcing the data broker registration rules; and for the costs of establishing, maintaining, and providing access to the accessible deletion mechanism.
Revenue	Revenues for the fund are from registration fees; penalties, fines, and fees; legislative appropriations; grants and donations; and interest earned.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the activities. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the activities and the registration fees paid by data brokers. However, nexus or linkage does not exist between the activities and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Death Care Industry Board Special Fund

H.B. No. 2149

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Commerce and Consumer Affairs
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Death Care Industry Board and the Death Care Industry Board Special Fund. The purpose of the board is to approve examinations for licensure as funeral directors or cemetery salespersons, including renewals, revocation, and suspension of licenses; investigate complaints against licensees; and ensure compliance with the license requirements. The fund administers and enforces the funeral directors and cemetery salespersons laws established by this bill.
Revenue	Revenues for the fund are from legislative appropriations; fees charged by the board; grants, gifts, and other sources; and interest earned.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the activities. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the activities and fees charged by the board; grants gifts, and other sources; and interest earned. However, nexus or linkage does not exist between the activities and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Disaster Relief Match Special Fund

H.B. No. 2610

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Defense
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Disaster Relief Match Special Fund. The bill provides funds for the local match requirement of the Federal Emergency Management Agency’s Hawai‘i Wildfires Hazard Mitigation Grant Program. The purpose of the fund is to hold legislative appropriations to be used to meet the matching requirements of grants from the Federal Emergency Management Agency (FEMA). Moneys in the fund will be used for projects that implement mitigation measures to prevent and minimize the impacts of natural hazards affecting the State.
Revenue	Revenues for the fund are from legislative appropriations. The bill also proposes that \$25,000,000 of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	The fund is needed to meet the local matching requirement to receive funds from the Federal Emergency Management Agency’s Hawai‘i Wildfires Hazard Mitigation Grant Program.
Nexus or Linkage	Nexus or linkage exists between matching FEMA funding and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	None.
Self-Sustaining	No. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Educational Facilities and Real Estate Development Special Fund S.B. No. 3328 Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Education
Fund Type	Special fund
Purpose of Proposed Fund	The bill temporarily establishes the Office of Facilities and Real Estate Development and the Office of School Operations and Services; and it establishes the Educational Facilities and Real Estate Development Special Fund. The Office of Facilities and Real Estate Development is for the development, construction, repairs, maintenance, and other activities necessary for public education facilities as authorized by law or deemed necessary by Board of Education policy. The Office of School Operations and Services is to be responsible for service operations including school meals, transportation, and other activities. Moneys in the fund will be used to fund any school development, planning, or construction project, including prekindergarten facilities, within the jurisdiction of the department.
Revenue	Revenues are from legislative appropriations or transfers by the Legislature or counties; grants, gifts, endowments, or donations for the development, planning, or construction of new educational facilities or major renovations of educational facilities; and all other moneys, including unrestricted grants, gifts, and donations. The bill also proposes that subaccounts be established within the fund to accept deposits of revenue from school impact fees.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the program. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the activities and grants, gifts, endowments, or donations for the development, planning, or construction of new educational facilities or major renovations of educational facilities. However, it is unclear whether nexus or linkage exists between the activities and other moneys received by the department. Nexus or linkage does not exist between the activities and continued support from legislative appropriations.

Probable Effects of the Proposed Fund

It is unclear from the information provided what the probable effects of establishing this fund are.

Alternative Forms of Funding

The General Fund.

Self-Sustaining

It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Essential Rural Medical Air Transport Revolving Fund H.B. No. 2544 Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Health
Fund Type	Revolving fund
Purpose of Proposed Fund	The bill establishes the Essential Rural Medical Air Transport Pilot Project and the Essential Rural Medical Air Transport Revolving Fund. The pilot project is to provide residents in rural islands with increased access to medical care. The purpose of the fund is to receive reimbursement or payment from insurers for air transportation for residents in rural islands to receive medical care. Moneys in the fund will be used for chartering flights to allow insurance companies to reserve and pay for seats for insured individuals and their companions and allow medical providers to fly to rural islands to provide medical services.
Revenue	Revenues for the fund are from legislative appropriations; payments received from insurers, medical providers, and individuals; and other sources. The bill also proposes that \$2,000,000 of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bill does not satisfy criteria for establishing a revolving fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a revolving fund is needed to support the pilot project. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the pilot project and reimbursements from insurers, medical providers, and individuals. It is unclear whether nexus or linkage exists between the pilot project and other undefined moneys. However, nexus or linkage does not exist between the project and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.4, HRS, revolving funds must demonstrate the capacity to be financially self-sustaining.

Filmmakers Special Fund

H.B. No. 2747

Does Not Meet Criteria

Fund Analysis

Department/agency	Department of Accounting and General Services
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Filmmakers Special Fund. The purpose of the fund is to allow the State Foundation on Culture and the Arts, in consultation with the Creative Industries Division of the Department of Business, Economic Development and Tourism, to award grants for film, media, and creative industries intellectual property development projects. Moneys in the fund will be used for awarding grants for film, media, and creative industries intellectual property development projects that are created and produced in Hawai‘i by Hawai‘i resident filmmakers.
Revenue	Revenues for the fund are from legislative appropriations and gifts, donations, and grants from public agencies and private persons. The bill also proposes that \$1,000,000 of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the State Foundation on Culture and the Arts awarding of grants. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the grants awarded and the gifts, donations, and grants from public agencies and private persons. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Firefighting Special Fund

S.B. No. 2906

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Land and Natural Resources
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes a Large Landowner Fee and the Firefighting Special Fund. The Large Landowner Fee will assess an annual fee on large landowners of more than 500 acres. The purpose of the fund is to collect the Large Landowner Fee. Moneys in the fund will be used for firefighting and fire prevention.
Revenue	Revenues for the fund are from legislative appropriations and the Large Landowner Fee charged to owners of more than 500 acres of land at an unspecified rate.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the program. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	It is unclear if nexus or linkage exists between the activities and the Large Landowner Fee. However, nexus or linkage does not exist between the activities and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Fire-free Revolving Fund

H.B. No. 2036

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Commerce and Consumer Affairs
Fund Type	Revolving fund
Purpose of Proposed Fund	The bill establishes the Fire-free Loan Program and the Fire-free Revolving Fund. The program will provide interest-free loans to condominiums to fund sprinkler installations or alternative improvements. The purpose of the fund is to support the program. Moneys in the fund will be used to make loans under the program and may also be used for administrative support associated with the program, including the hiring of necessary staff.
Revenue	Revenues for the fund are from legislative appropriations; interest earnings; repayment of loans, including principal payments; and other sources. The bill also proposes that an unspecified amount of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bill does not satisfy criteria for establishing a revolving fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a revolving fund is needed to support the program. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the program and loan repayments and interest earned. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.4, HRS, revolving funds must demonstrate the capacity to be financially self-sustaining.

Fireshed Management Special Fund

H.B. No. 2721

Does Not Meet Criteria

Fund Analysis

Department/agency	Department of Land and Natural Resources
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Fireshed Partnership Program and the Fireshed Management Special Fund. The program will establish a network of fireshed partnerships and implement fire-risk reduction through fuels management; resource mapping and sharing; educational exchange; identify high-priority lands and landowners; develop fuels-reduction projects; and provide funding to initiate or expand fuels-reduction efforts and matching funds for federal grant programs. Moneys in the fund will be used by the Department of Land and Natural Resources, Division of Forestry and Wildlife, to support positions and contracts to implement fireshed partnerships to identify and map fire-related suppression resources, hazardous fuels, vulnerable assets, and the specific landholdings requiring fire-risk mitigation; develop cross-boundary partnerships and memoranda of understanding among landowners; and expand and develop multi-use, multi-partner demonstrations of fuels management strategies.
Revenue	Revenues for the fund are from legislative appropriations; donations and contributions made by private individuals or organizations; grants from governmental agencies; and interest earned. The bill also proposes that an unspecified amount of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the program. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the program and donations and contributions made by private individuals or organizations; grants by governmental agencies; and interest earned. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.

Alternative Forms of Funding

The General Fund.

Self-Sustaining

It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Green Environmental Fee Special Fund

S.B. No. 2357

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Land and Natural Resources
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Green Environmental Fee Program and the Green Environmental Fee Special Fund. The program will collect a fee from users other than Hawai‘i residents who utilize a state beach, park, forest, hiking trail, or other natural area on state land through a license and allocate that revenue to protect, restore, and manage natural and cultural resources impacted by users. The purpose of the fund is to hold the fees, penalties, appropriations, and gifts and donations for the program. Moneys in the fund will be used for marketing and publication of the program in print, images, and video throughout the state; 33 percent will be transferred to the Beach Restoration Special Fund; 33 percent will be transferred to the State Parks Special Fund; and 33 percent will fund the Hawai‘i Statewide Trail and Access Program.
Revenue	Revenues for the fund are from proceeds from green environmental fees and licenses purchased pursuant to the program; proceeds from fines and penalties collected; legislative appropriations; and grants and gifts. The bill also proposes that \$250,000 of general funds be appropriated into the fund for fiscal year 2024-2025 for one full-time program specialist and one full-time accountant to be hired within the department to administer the program.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the program. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the program and proceeds from the green environmental fees and licenses purchased pursuant to the program; proceeds from fines collected; and grants and gifts. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.

Alternative Forms of Funding

The General Fund.

Self-Sustaining

It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Hawai'i Capital Loan Revolving Fund

S.B. No. 2984

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Business, Economic Development and Tourism
Fund Type	Revolving fund
Purpose of Proposed Fund	The bill establishes the Hawai'i Capital Loan Revolving Fund. The purpose of the fund is to make loans to businesses located in nationally declared disaster areas relating to the 2023 Maui wildfire. Moneys in the fund will be used to make loans to businesses affected by the 2023 Maui wildfire and administer the fund and the already established Maui Business Bridge Grants Program.
Revenue	Revenues for the fund are from the repayment of loans and interest; legislative appropriations; and other funds that are made available, including federal, county, private, or other funding sources. The bill also proposes that an unspecified amount of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bill does not satisfy criteria for establishing a revolving fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a revolving fund is needed to support the activities. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the activities and the repayment of loans and interest, and other funding sources designated for assisting impacted businesses. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.4, HRS, revolving funds must demonstrate the capacity to be financially self-sustaining.

Hawai'i Environmental Protection Agency Special Fund

H.B. No. 2166

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Land and Natural Resources
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Hawai'i Environmental Protection Agency and the Hawai'i Environmental Protection Agency Special Fund. The agency will assume certain regulatory functions of the Department of Health and Department of Agriculture. The agency will be under the Department of Land and Natural Resources and tasked with managing the State's environment. The purpose of the fund is to support the agency. Moneys in the fund will be used for the agency's operating and administrative costs, including personnel costs.
Revenue	Revenues for the fund are from legislative appropriations, contributions from public or private partners, and interest earned. The bill also proposes that an unspecified amount of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the agency. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage does exist between the agency and contributions from public or private partners and interest earned. However, nexus or linkage does not exist between the agency and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Hawai'i Food Assistance Program Special Fund S.B. No. 2479 and H.B. No. 2137 Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Agriculture
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish the Hawai'i Farm to Food Bank Program and the Hawai'i Food Assistance Program Special Fund. The program will provide funds to food banks and emergency feeding organizations so they can provide locally grown food to food insecure communities. The purpose of the fund is to support the operations of the Hawai'i Farm to Food Bank Program. Moneys in the fund will be used to support food banks and emergency feeding organizations.
Revenue	Revenues for the fund are from legislative appropriations; gifts, donations, or grants from public or private entities; and interest earned. The bills also propose that \$5,000,000 of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the program. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage does exist between the program and gifts or grants from public or private entities and interest accrued on money in the fund. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Hawai'i Home Energy Assistance Program Special Fund S.B. No. 3263 and H.B. No. 2739 Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Human Services
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish the Hawai'i Home Energy Assistance Program and the Hawai'i Home Energy Assistance Program Special Fund. The purpose of the program is to provide energy assistance to more families and provide information and assistance about making homes more energy efficient to reduce the cost of electricity. The fund supports the program. Moneys in the fund will be used to assist eligible households with payment of the costs associated with meeting their home energy needs that may include energy bill payments, home energy crisis payments, weatherization, energy efficiency improvements, and energy-related home repairs.
Revenue	Revenues for the fund are from legislative appropriations; contributions from public or private entities; interest earned; and other sources made available to the fund. The bills also propose that \$10,000,000 of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the program. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the program and contributions from public or private entities, interest earned, and other sources made available to the fund. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Hawai‘i Opioid Litigation Proceeds Special Fund

H.B. No. 2806

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Health
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Hawai‘i Opioid Litigation Proceeds Council and the Hawai‘i Opioid Litigation Proceeds Special Fund. The council is to ensure proceeds received from opioid litigation settlements by the State are allocated and spent on substance use disorder abatement infrastructure, programs, services, supports and resources for prevention, treatment, recovery, and harm reduction; and to ensure robust public involvement, accountability, and transparency in allocating and accounting for moneys in the fund. The purpose of the fund is to hold and disburse opioid litigation settlement funds, support the council, and for substance use disorder abatement. Moneys in the fund will be used to disburse a proportionate share of opioid litigation proceeds to the counties, for the administration and staffing of the council, investment and reinvestment, and for substance use disorder abatement purposes.
Revenue	Revenues for the fund are from opioid litigation proceeds received by the State; legislative appropriations; gifts, donations, grants, bequests, or other sources; and interest earned. The bill also proposes that an unspecified amount of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the program. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the activities of the council and proceeds from opioid litigation settlements; gifts, donations, grants, or bequests; and interest earned. However, nexus or linkage does not exist between the activities of the council and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Hawai'i Residential Developers Loan Revolving Fund

S.B. No. 2065

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Business, Economic Development and Tourism
Fund Type	Revolving fund
Purpose of Proposed Fund	The bill establishes the Hawai'i Residential Developers Loan Corporation within the Department of Business, Economic Development and Tourism for administrative purposes and the Hawai'i Residential Developers Loan Revolving Fund. The corporation will enhance credit and guarantee and insure loans made by private financial institutions to developers of residential housing required to be sold to Hawai'i residents who will be owner-occupants and who own no other real property. The purpose of the fund is to issue guarantees to financial institutions for a percentage of the loan to developers.
Revenue	Revenues for the fund are from legislative appropriations; private contributions; repayment of loans, interests, and other returns; and other sources. The bill also proposes that the Director of Finance be authorized to issue \$200,000,000 in general obligation bonds in the name of the corporation for fiscal year 2024-2025.
Analysis	The bill does not satisfy criteria for establishing a revolving fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a revolving fund is needed to support the activities of the program. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the activities of the corporation and private contributions and repayment of loans, interests, and other returns. However, nexus or linkage does not exist between the activities of the corporation and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.4, HRS, revolving funds must demonstrate the capacity to be financially self-sustaining.

Kona Community Development District Special Fund H.B. No. 2724 Does Not Meet Criteria

Fund Analysis	
Department/agency	Hawai‘i Community Development Authority
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Kona Community Development District and the Kona Community Development District Special Fund. The district allows for planning, development, and maintenance of public lands in Kona. The fund supports development within the district. Moneys in the fund will be used for development and renovations of public lands in Kona.
Revenue	Revenues are from revenue generated for the district; money from government agencies or private entities, including grants, gifts, awards, donations, and assessments of landowners for costs to administer and operate the district; legislative appropriations; and investment earnings.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the activities of the district. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the activities of the district and revenues generated from developments in Kona, money allocated by government agencies or private entities, and investment earnings. However, nexus or linkage does not exist between the activities of the district and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Lele Community Special Fund

S.B. No. 3381

Does Not Meet Criteria

Fund Analysis	
Department/agency	Hawai‘i Community Development Authority
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Lele Community District and Lele Community Special Fund. The district will facilitate the rebuilding of Lahaina, which was destroyed by the 2023 Maui wildfire. The purpose of the fund is to hold and disburse revenue for the rebuilding effort. Moneys in the fund will be used for developing housing, businesses, and public facilities.
Revenue	Revenues are from revenues generated for the district, money allocated by government agencies and private entities, investment earnings, and legislative appropriations. The bill also proposes that \$100,000,000 of general funds be appropriated into the fund for fiscal year 2024-2025 if Hawai‘i Community Development Authority can obtain \$100,000,000 in matching funds from the private sector.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the activities of the district. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the activities of the district and money allocated by government and private entities for the express purpose of redeveloping Lahaina, revenue generated for the district, and investment earnings. However, nexus or linkage does not exist between the activities of the district and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Maui Infrastructure Resiliency Revolving Fund

S.B. No. 3240

Does Not Meet Criteria

Fund Analysis	
Department/agency	Hawai‘i State Energy Office
Fund Type	Revolving fund
Purpose of Proposed Fund	The bill establishes a five-year pilot program and the Maui Infrastructure Resiliency Revolving Fund. The purpose of the program is to plan, develop, and engage with other public infrastructure agencies to ensure rebuilt Maui infrastructure is more resilient; provide resiliency hubs at critical emergency infrastructure sites in Maui County; and develop replicable models for other communities. The fund supports the five-year pilot program.
Revenue	Revenues for the fund are from an unspecified portion of the environmental response, energy, and food security tax on each barrel of petroleum pursuant to Section 243-3.5, HRS.
Analysis	The bill does not satisfy criteria for establishing a revolving fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a revolving fund is needed to support the five-year pilot program. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	It is unclear whether nexus or linkage exists between the program and the Environmental Response, Energy, and Food Security tax. The bill does not provide enough information to determine what the funds will be used for.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.4, HRS, revolving funds must demonstrate the capacity to be financially self-sustaining.

Ombudsman’s Office Special Fund

S.B. No. 3206, H.B. No. 2681, and H.B. No. 1745

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Commerce and Consumer Affairs
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish the Ombudsman’s Office for Homeowner Associations within the Department of Commerce and Consumer Affairs’ Office of Consumer Protection and the Ombudsman’s Office Special Fund. The office is to address and resolve complaints and disputes involving homeowners and their associations, provide education to association board members, and provide access to association documents. The fund will cover the costs of the office.
Revenue	Revenues for the fund are from administrative penalties, fines, and other charges; fees deposited into the Condominium Education Trust Fund; fees and assessments collected for administrative costs, personnel, and related equipment and materials of the ombudsman’s office under Chapters 421I and 421J, HRS; and interest earned. The bills also propose that an unspecified amount of the Condominium Education Trust Fund be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the activities of the office. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the activities of the office and administrative penalties, fees, and other charge; fees deposited into the Condominium Education Trust Fund; and fees collected for administrative costs of the office.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.
Additional Information	This fund is similar to the Ombudsman’s Office Special Fund established in S.B. No. 3205 and H.B. No. 2680; however, that fund supports an Ombudsman’s Office for Condominium Associations.

Ombudsman’s Office Special Fund S.B. No. 3205 and H.B. No. 2680 Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Commerce and Consumer Affairs
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish the Ombudsman’s Office for Condominium Associations within the Department of Commerce and Consumer Affairs’ Office of Consumer Protection, and the Ombudsman’s Office Special Fund. The office is to serve as a resource for members of condominium associations, provide an office for association members to bring complaints for investigations and a process for dispute intervention, ensure compliance with existing laws and association governing documents, provide necessary education for association board members, provide association members access to association documents, maintain data on inquiries and complaints received, and provide for the administration of an election monitoring process if requested by association members. The purpose of the fund is to support the office.
Revenue	Revenues for the fund are from administrative penalties, fines, and other charges; fees deposited into the Condominium Education Trust Fund; and interest earned. The bills also propose that an unspecified amount of the Condominium Education Trust Fund be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the activities of the office. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the activities of the office and the administrative penalties, fines, and other charges; fees deposited into the Condominium Education Trust Fund; and interest earned.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Additional Information

This fund is similar to the Ombudsman’s Office Special Fund proposed in S.B. No. 3206, H.B. No. 2681, and H.B. No. 1745; however, those bills establish an Ombudsman’s Office for Homeowner Associations.

Online Fantasy Sports Contests Special Fund

S.B. No. 2868

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of the Attorney General
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Online Fantasy Sports Contests Registration and Monitoring Program and the Online Fantasy Sports Contests Special Fund. The purpose of the program is to legalize and regulate online fantasy sports contests in Hawai‘i. The fund will support Lahaina community recovery efforts.
Revenue	Revenues for the fund are from fees, taxes, and fines collected from online fantasy sports contests.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the program. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage does not exist between the revenues from the program and the support of Lahaina community recovery efforts.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Pana'ewa Community Development District Special Fund

S.B. No. 2766 and H.B. No. 1781

Does Not Meet Criteria

Fund Analysis	
Department/agency	Hawai'i Community Development Authority
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish the Pana'ewa Community Development District and the Pana'ewa Community Development District Special Fund. The purpose of the district is to redevelop, renovate, and improve upon public lands in Pana'ewa, Hawai'i, to provide suitable recreational, residential, educational, industrial, governmental, and commercial areas. The fund supports the activities of the district. Moneys in the fund will be used to develop public lands for a range of residential commercial and public uses.
Revenue	Revenues for the fund are from revenues for the district; government agencies or private entities, including grants, gifts, awards, donations, and assessments of landowners for costs to administer and operate the district; legislative appropriations; and investment earnings.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the activities of the district. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the activities of the district and revenue generated from development within the proposed district; money from government agencies or private entities; and investment earnings. However, nexus or linkage does not exist between the activities of the district and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Public Health and Education Special Fund

S.B. No. 3335 and H.B. No. 2600

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Commerce and Consumer Affairs
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish the Hawai'i Cannabis Authority within the Department of Commerce and Consumer Affairs for administrative purposes, the Public Health and Education Campaign, the Public Health and Education Grant Program, the Public Health and Education Special Fund, and five other special funds. The purpose of the campaign is to educate the public regarding the legalization of cannabis and the impact of cannabis use on public health and safety, including the health risks associated with cannabis and ways to protect children. The program provides grants to substance abuse prevention and treatment programs and programs dedicated to preventing and treating substance abuse and educating the public about cannabis use and laws. The fund will allow the authority to implement and administer the Public Health and Education Campaign and the Public Health and Education Grant Program. Moneys in the fund will be used for substance abuse prevention, treatment, and education, including preventing or treating substance abuse among youth; controlling and treating substance abuse; and educating the public about cannabis use and laws.
Revenue	Revenues for the fund are from 15 percent of the tax collected on persons engaging or continuing in the business of retailing cannabis; legislative appropriations; interest earned; and contributions, grants, endowments, or gifts. The bills also propose that \$5,000,000 of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the program. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the program and tax collected on persons engaging or continuing in the business of retailing cannabis; interest earned; and contributions, grants, endowments, and gifts. However, nexus or linkage does not exist between the activities of the authority and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.

Alternative Forms of Funding

The General Fund.

Self-Sustaining

It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Additional Information

S.B. No. 3335 and H.B. No. 2600 also establish the following special funds: Cannabis Law Enforcement Special Fund, Cannabis Nuisance Abatement Special Fund, Cannabis Regulation Special Fund, Cannabis Social Equity Special Fund, and Public Safety Special Fund.

Public Safety Special Fund S.B. No. 3335 and H.B. No. 2600 Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Commerce and Consumer Affairs
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish the Hawai‘i Cannabis Authority within the Department of Commerce and Consumer Affairs for administrative purposes, the Public Safety Grant Program, the Public Safety Special Fund, and five other special funds. The program provides grants to state and county agencies, and private entities to assist with public safety resources relating to cannabis, including law enforcement resources. Moneys in the fund will be used for the implementation and administration of the program.
Revenue	Revenues for the fund are from 10 percent of the tax collected on persons engaging or continuing in the business of retailing cannabis; legislative appropriations; interest earned; and contributions, grants, endowments, or gifts. The bill also proposes that \$4,000,000 of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the program. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the program and the tax collected on persons engaging or continuing in the business of retailing cannabis; and fees, fines, and civil penalties received pursuant to the Hawai‘i Cannabis Law. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Additional Information

S.B. No. 3335 and H.B. No. 2600 also establish the following special funds: Cannabis Law Enforcement Special Fund, Cannabis Nuisance Abatement Special Fund, Cannabis Regulation Special Fund, Cannabis Social Equity Special Fund, and Public Health and Education Special Fund.

Red Hill Remediation Special Fund S.B. No. 3338 and H.B. No. 2690 Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Land and Natural Resources
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish a Red Hill Water Alliance Initiative (WAI) policy coordinator position and the Red Hill Remediation Special Fund. The WAI’s policy coordinator facilitates implementation and monitoring and interface with federal entities on WAI initiatives outlined in the WAI’s November 2023 report. The purpose of the fund is for remediation of contamination resulting from the Red Hill Bulk Fuel Storage Facility. Moneys in the fund will be used for monitoring, applied research, remediation, public outreach and education, and evaluation.
Revenue	Revenues for the fund are from legislative appropriations; gifts, donations, and grants from public agencies and private persons; and interest earned.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the activities of the WAI. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the activities of the WAI and gifts, donations, and grants from public agencies and private persons; and interest earned. However, nexus or linkage does not exist between the activities of the WAI and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.
Additional Information	This fund is similar to the Red Hill Remediation Special Fund proposed in S.B. No. 3339 and H.B. No. 2691, except those bills establish a Red Hill Remediation Authority.

Red Hill Remediation Special Fund

S.B. No. 3339 and H.B. No. 2691

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Land and Natural Resources
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish the Red Hill Remediation Authority within the Department of Land and Natural Resources for administrative purposes and the Red Hill Remediation Special Fund. The authority is to facilitate and oversee the remediation of contamination resulting from the Red Hill Bulk Fuel Storage Facility. The fund allows for remediation of contamination resulting from the Red Hill Bulk Fuel Storage Facility. Moneys in the fund will be used for monitoring, applied research, remediation, public outreach and education, and evaluation.
Revenue	Revenues for the fund are from legislative appropriations; gifts, donations, and grants from public agencies and private persons; and interest earned.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the activities of the authority. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the activities of the authority and gifts, donations, and grants from public agencies and private persons; and interest earned. However, nexus or linkage does not exist between the activities of the authority and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.
Additional Information	This fund is similar to the Red Hill Remediation Special Fund proposed in S.B. No. 3338 and H.B. No. 2690, except those bills establish a WAI policy coordinator position.

Regenerative Tourism Special Fund S.B. No. 2982 and H.B. No. 2164 Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Business, Economic Development and Tourism
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish the Regenerative Tourism Program, the Regenerative Tourism Grant Program, and the Regenerative Tourism Special Fund. The purpose of the Regenerative Tourism Program is to help restructure the tourism industry to support regenerative tourism. The Regenerative Tourism Grant Program provides grants to businesses which present a business plan for regenerative tourism. The fund supports the Regenerative Tourism Grant Program. Moneys in the fund will be used for grants and administrative and operational costs of the program.
Revenue	Revenues for the fund are from legislative appropriations; gifts, donations, and grants from public agencies and private persons; and interest earned. The bills also propose that an unspecified amount of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the grant program. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the grant program and gifts, donations, and grants from public agencies and private persons; and interest earned. However, nexus or linkage does not exist between the grant program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Resilience Hub and Network Grant Program Special Fund H.B. No. 2687 Does Not Meet Criteria

Fund Analysis	
Department/agency	Hawai'i Emergency Management Agency
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Resilience Hub and Network Grant Program and the Resilience Hub and Network Grant Program Special Fund. The purpose of the program is to provide grants, support, and technical assistance for resilience hubs and resilience networks statewide. The fund supports the Resilience Hub and Network Grant Program. Moneys in the fund will be used to provide grants for expenses related to planning and organizing resilience hubs and resilience networks; and grants to support and expand development and operation of resilience hubs and resilience networks to ensure that physical facilities can provide protection from extreme weather, maintain power and climate during power outages, have auxiliary communication capabilities, and are resilient following natural disasters, emergencies, or incidents.
Revenue	Revenues for the fund are from a portion of the environmental response, energy, and food security tax pursuant to Section 243-3.5, HRS; legislative appropriations; contributions from public or private partners; and interest on moneys deposited into the special fund.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the program. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the program and the environmental response, energy, and food security tax under Section 243-3.5, HRS, contributions from public or private partners, and earnings on moneys in the fund. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Resilience Hubs Revolving Fund

S.B. No. 3244

Does Not Meet Criteria

Fund Analysis	
Department/agency	Hawai‘i Emergency Management Agency
Fund Type	Revolving fund
Purpose of Proposed Fund	The bill establishes the Resilience Hubs Program and the Resilience Hubs Revolving Fund. The purpose of the Resilience Hubs Program is to set up resilience hubs in various communities to provide residents a place to obtain information, receive emergency supplies, store and refrigerate medical supplies, receive basic medical care, charge electrical devices, and access the internet during and after a natural hazard event. The fund supports the program. Moneys in the fund will be used for the purchase or lease of suitable resilience hub sites; design and construction of resilience hub facilities; installation of solar panels and a back-up battery storage system at each site; installation of electrical charging stations, internet access, and refrigeration at each site; and purchase of suitable emergency supplies.
Revenue	Revenues for the fund are from 45 cents of the environmental response, energy, food security, and resilience tax pursuant to Section 243-3.5, HRS; legislative appropriations; and interest.
Analysis	The bill does not satisfy criteria for establishing a revolving fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a revolving fund is needed to support the program. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the program and the environmental response, energy, food security, and resilience tax; and interest. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.4, HRS, revolving funds must demonstrate the capacity to be financially self-sustaining.

Search and Rescue Special Fund

S.B. No. 2798

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Land and Natural Resources
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Hike Safe Card Program and the Search and Rescue Special Fund. The purpose of the program is to collect an annual fee for a hike safe card that will offset costs of government entities for search and rescue. The fund defrays the search and rescue expenses of a government entity and covers the administrative costs related to the program.
Revenue	Revenues for the fund are proceeds from the sale of hike safe cards with an annual fee of \$25 for each individual and \$35 for families and legislative appropriations. The bill also proposes that an unspecified amount of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the program. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the program and sales of hike safe cards. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	This fund will offset high-angle rescue operation costs that ranged from \$765,000 to \$1,030,000 for the past three years. It is unclear from the information provided what other probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Sobriety Checkpoint Special Fund

H.B. No. 1933

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Law Enforcement
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Sobriety Checkpoint Special Fund. The purpose of the fund is to provide grants to counties to staff sobriety checkpoints conducted by county police departments. Moneys in the fund will be used for county law enforcement agencies responsible for staffing sobriety checkpoints.
Revenue	Revenues for the fund are from an unspecified portion of the annual motor vehicle registration fees, legislative appropriations, contributions from public or private partners, interest earned, and other sources. The bill also proposes that an unspecified amount of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to subsidize sobriety checkpoints. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the activities described in the bill and the annual motor vehicle registration fee, contributions from public or private partners, and interest earned. However, nexus or linkage does not exist between the activities and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Spay and Neuter Special Fund

S.B. No. 3342

Does Not Meet Criteria

Fund Analysis

Department/agency	Department of Budget and Finance
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Spay and Neuter Special Fund and an advisory committee to establish eligibility criteria and procedures for disbursement. The purpose of the fund is to reduce pet overpopulation and the reproduction of free-roaming cats by providing spaying and neutering surgery and associated veterinary care. Moneys in the fund will be disbursed to municipal animal control agencies of the City and County of Honolulu, County of Hawai‘i, County of Maui, and County of Kaua‘i.
Revenue	Revenues for the fund are \$5 from each state income tax refund check-off to support spay and neuter efforts, legislative appropriations, and interest earned. The bill also proposes that an unspecified amount of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the program. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the activities and state income tax refund check-off and interest earned. However, nexus or linkage does not exist between the activities and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Substance Abuse Treatment Special Fund

H.B. No. 2624

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Health
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Substance Abuse Treatment Special Fund. The purpose of the fund is to support substance abuse treatment programs in the State.
Revenue	Revenues for the fund are from legislative appropriations; liquor tax revenues designated under Section 244D-17; grants, donations, and contributions from private or public sources; and interest earned.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the programs. An explanation of why the programs cannot be successfully implemented through the general fund appropriation was there would not be enough funding for the programs. However, it is unclear what substance abuse treatment programs in the State the proposed fund aims to support.
Nexus or Linkage	Nexus or linkage exists between the programs and liquor taxes; grants, gifts, and contributions; and interest earned. However, nexus or linkage does not exist between the programs and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Teacher Loan Program Revolving Fund

S.B. No. 3232 and H.B. No. 2572

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Education
Fund Type	Revolving fund
Purpose of Proposed Fund	The bills establish the Teacher Loan Program and the Teacher Loan Program Revolving Fund. The purpose of the program is to provide loans for teachers who relocated to Hawai‘i or to an area in Hawai‘i having hard-to-fill teaching positions, and to forgive these loans if the teacher becomes a licensed teacher in Hawai‘i or if the teacher commits to teach for seven years at a Hawai‘i public school or public charter school. Moneys in the fund will be used to provide loans for teachers with the amount loaned to each borrower not to exceed \$5,000 per borrower, and an amount from the fund not exceeding five percent of the total outstanding loans may be used for administrative expenses incurred in administering the revolving fund.
Revenue	Revenues for the fund are from legislative appropriations; private contributions; repayment of loans, including interest and principal; and other sources. The bills also propose that an unspecified amount of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bills do not satisfy criteria for establishing a revolving fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a revolving fund is needed to support the program. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the program and private contributions and repayment of loans. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.4, HRS, revolving funds must demonstrate the capacity to be financially self-sustaining.

Tourism Special Fund

H.B. No. 1517

Does Not Meet Criteria

Fund Analysis	
Department/agency	Hawai‘i Tourism Authority
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Tourism Special Fund. The purpose of the fund is to support the activities of the Hawai‘i Tourism Authority. Moneys in the fund will be used for the following: administration of the Hawai‘i Tourism Authority, operation of a Hawaiian Center and Museum of Hawaiian Music and Dance, creation of a subaccount for a safety and security budget, and to transfer remaining funds into the tourism emergency special fund.
Revenue	Revenues for the fund are \$90,000,000 from the transient accommodations tax; appropriations by the Legislature; and gifts, grants, and other funds accepted by the agency.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the activities of the Hawai‘i Tourism Authority. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the agency and its activities and revenues from any transient accommodations tax, as provided by Section 237D-6.5, HRS, and gifts and grants to the agency. However, nexus or linkage does not exist between the agency and its activities and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.
Additional Information	There are blank amounts for administrative expenses to create a protocol fund at the discretion of the President and Chief Executive Officer of the Hawai‘i Tourism Authority and for efforts to manage, improve, and protect Hawai‘i’s natural environment and areas frequented by visitors.

Visitor Impact Special Fund

S.B. No. 2166

Does Not Meet Criteria

Fund Analysis	
Department/agency	Department of Land and Natural Resources
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Visitor Impact Special Fund. The purpose of the fund is to offset visitor impacts and ensure a positive environmental legacy for future generations. Moneys in the fund will be used to offset adverse environmental impacts caused by visitors and ensure that the State's natural resources are maintained for continued use by visitors, to provide cost-matching funds for related federal grants, and to establish positions to develop the Visitor Impact Special Fund.
Revenue	Revenues for the fund are from legislative appropriations, grants, and gifts. The bill also proposes that an unspecified amount of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the activities. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between the activities and grants and gifts to the fund. However, nexus or linkage does not exist between the activities and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Wildfire Bond Loan Fund

S.B. No. 2086 and H.B. No. 1547

Does Not Meet Criteria

Fund Analysis

Department/agency	Department of Commerce and Consumer Affairs
Fund Type	Special fund
Purpose of Proposed Fund	The bills establish the Hawai'i Wildfire Relief Fund within the Department of Commerce and Consumer Affairs for administrative purposes and the Wildfire Bond Loan Fund. The purpose of the relief fund is to assess the availability of property insurance from all sources and be empowered to take steps to provide coverage if the private insurance market becomes unreliable. The bills also propose that the Director of the Department of Commerce and Consumer Affairs may establish a loan program to assist the relief fund in carrying out its plan of operation and make loans to the relief fund. The purpose of the Wildfire Bond Loan Fund is to hold and invest bond proceeds should the relief fund be authorized to issue revenue bonds.
Revenue	Revenues for the fund are funds that may be pledged by the Director of the Department of Commerce and Consumer Affairs for the purposes of providing security for the bonds.
Analysis	The bills do not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the relief fund. An explanation of why the activities described in the bills cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	It is unclear whether nexus or linkage exists between the activities and revenue sources because the bills do not provide enough information about the activities or the revenue sources.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

Wildfire Victim Down Payment Special Fund

H.B. No. 1736

Does Not Meet Criteria

Fund Analysis	
Department/agency	Hawai'i Housing Finance and Development Corporation
Fund Type	Special fund
Purpose of Proposed Fund	The bill establishes the Wildfire Victim Down Payment Program and the Wildfire Victim Down Payment Special Fund. The purpose of the program is to assist homeowners who lost homes in the 2023 Maui wildfires to purchase new homes by providing no-interest and no-fee loans to Maui wildfire victims to be used as a down payment for the purchase of a single family residence. The fund supports the program. Moneys in the fund will be used for activities of the program such as contracting with a private entity to administer loans and pay any fees or interest that will be required for the private entity to provide a no-interest and no-fee loan to an applicant under the program.
Revenue	Revenues for the fund are from legislative appropriations and repayments of loans. The bill also proposes that an unspecified amount of general funds be appropriated into the fund for fiscal year 2024-2025.
Analysis	The bill does not satisfy criteria for establishing a special fund.
Demonstrated Need For the Fund	There is insufficient information to demonstrate a special fund is needed to support the program. An explanation of why the activities described in the bill cannot be successfully implemented through the general fund appropriation process was not provided.
Nexus or Linkage	Nexus or linkage exists between program and repayments of loans. However, nexus or linkage does not exist between the program and continued support from legislative appropriations.
Probable Effects of the Proposed Fund	It is unclear from the information provided what the probable effects of establishing this fund are.
Alternative Forms of Funding	The General Fund.
Self-Sustaining	It is unclear whether the fund will be self-sustaining. Pursuant to Section 37-52.3, HRS, special funds must demonstrate the capacity to be financially self-sustaining.

