
A BILL FOR AN ACT

RELATING TO NON-GENERAL FUNDS.

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

1 SECTION 1. The purpose of this Act is to reclassify or
2 repeal certain non-general funds of the department of labor and
3 industrial relations, pursuant to the recommendations made by
4 the auditor in auditor's report no. 23-06, and to transfer any
5 unencumbered balance of any repealed fund to the general fund.

6 SECTION 2. Section 371-12.5, Hawaii Revised Statutes, is
7 amended to read as follows:

8 " ~~[+]§371-12.5[+]~~ **Labor law enforcement** ~~[special fund,]~~

9 **trust account; establishment; purposes.** (a) There is
10 established in the state treasury the labor law enforcement
11 ~~[special fund]~~ trust account into which shall be deposited:

12 (1) All penalties collected pursuant to section 388-9.7;

13 (2) All penalties collected pursuant to section 388-10;

14 (3) All civil penalties assessed pursuant to
15 section 396-10;

16 (4) Moneys appropriated by the legislature to the ~~[fund,]~~

17 trust account; and



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1 (5) Any income and capital gains earned by the [~~fund~~]
2 trust account.

3 (b) The purpose of the [~~special fund~~] trust account is to
4 provide for sufficient operating costs to collect penalties and
5 fees assessed by the department. Moneys in the [~~fund~~] trust
6 account may be used for:

- 7 (1) Personnel and operating expenses;
- 8 (2) Staff development, training, fees, and expenses; and
- 9 (3) Litigation expenses, including but not limited to
10 transcript costs, and interpretation and translation
11 services.

12 (c) The unencumbered balance of the [~~fund~~] trust account
13 exceeding \$500,000 at the end of every fiscal year shall be
14 deposited into the general fund on or about June 30 every year."

15 SECTION 3. Section 388-10, Hawaii Revised Statutes, is
16 amended by amending subsection (a) to read as follows:

17 "(a) Civil. Any employer who fails to pay wages in
18 accordance with this chapter without equitable justification or
19 violates this chapter or the administrative rules adopted under
20 this chapter shall be liable:



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1 (1) To the employee, in addition to the wages legally
2 proven to be due, for a sum equal to the amount of
3 unpaid wages and interest at a rate of six per cent
4 per year from the date that the wages were due; and

5 (2) For a penalty of not less than \$500 or \$100 for each
6 violation, whichever is greater. The penalty shall be
7 deposited into the labor law enforcement [~~special~~
8 ~~fund.~~] trust account."

9 SECTION 4. Section 396-10, Hawaii Revised Statutes, is
10 amended by amending subsection (p) to read as follows:

11 "(p) All civil penalties collected pursuant to this
12 section shall be deposited into the labor law enforcement
13 [~~special fund.~~] trust account."

14 SECTION 5. Section 397-5, Hawaii Revised Statutes, is
15 amended by amending subsection (b) to read as follows:

16 "(b) All fees received by the department pursuant to this
17 section shall be paid into the boiler and elevator [~~revolving~~
18 special fund."

19 SECTION 6. Section 397-13, Hawaii Revised Statutes, is
20 amended to read as follows:



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1 "§397-13 Boiler and elevator [~~revolving~~] special fund;
2 establishment; purpose. (a) There is established in the state
3 treasury the boiler and elevator [~~revolving~~] special fund, into
4 which shall be deposited all fees collected pursuant to section
5 397-5 and any appropriation from the legislature. All interest
6 and investment moneys earned on any moneys in the [~~revolving~~]
7 special fund shall become part of the [~~revolving~~] special fund.

8 (b) The purpose of the [~~revolving~~] special fund is to
9 provide for sufficient operating costs to carry out the purposes
10 of this chapter. Moneys in the fund may be expended for:

- 11 (1) Personnel and operating expenses;
- 12 (2) Staff training and staff certification fees and
13 expenses;
- 14 (3) Preparation and dissemination of public information on
15 safe installation and use of equipment regulated by
16 this chapter;
- 17 (4) Preparation of annual reports to the legislature as
18 required by this chapter; and
- 19 (5) Reimbursement to the general fund as required by this
20 section.



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1 (c) The director shall submit a report to the legislature
2 on the status of the boiler and elevator [~~revolving~~] special
3 fund, including expenditures and program results, not less than
4 twenty days prior to the convening of each regular session.

5 (d) No later than thirteen years from the date of the
6 establishment of the [~~revolving~~] special fund, the director
7 shall reimburse the general fund for the amount of any initial
8 appropriation that was made by the general revenues of the State
9 to the [~~revolving~~] special fund."

10 SECTION 7. Section 706-650.5, Hawaii Revised Statutes, is
11 repealed.

12 [~~"§706-650.5 Human trafficking victim services fund. (1)~~
13 ~~In addition to any disposition authorized by chapter 706, any~~
14 ~~individual who is:~~

15 ~~(a) Convicted of an offense under part VIII of chapter~~
16 ~~707; or~~

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

19 ~~(2) Fees for individuals subject to subsection (1) shall~~
20 ~~not exceed the following:~~

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



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

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

3 ~~(d) \$500 when the offense is a misdemeanor, or~~

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

5 ~~(3) There is established within the state treasury a~~

6 ~~special fund to be known as the human trafficking victim~~

7 ~~services fund to be administered by the department of labor and~~

8 ~~industrial relations. The disbursement of money from the human~~

9 ~~trafficking victim services fund shall be used to supplement~~

10 ~~programs, grants, or purchase of service contracts that support~~

11 ~~or provide comprehensive services to victims of labor~~

12 ~~trafficking crimes under part VIII of chapter 707, or victims of~~

13 ~~trafficking related to crimes under part I of chapter 712.~~

14 ~~Moneys in the special fund shall be used for new or existing~~

15 ~~programs, grants, or purchase of service contracts and shall not~~

16 ~~supplant any other moneys previously allocated to these~~

17 ~~programs, grants, or purchase of service contracts.~~

18 ~~(4) All fees paid and interest accrued on funds collected~~

19 ~~pursuant to this section shall be deposited into the human~~

20 ~~trafficking victim services fund.~~



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

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

9 ~~(a) An accounting of the receipts of and expenditures from~~
10 ~~the human trafficking victim services fund; and~~

11 ~~(b) Any recommendations to improve support of and services~~
12 ~~to victims of labor trafficking crimes under part VIII~~
13 ~~of chapter 707, or victims of trafficking related to~~
14 ~~crimes under part I of chapter 712."]~~

15 SECTION 8. The national governors' association grant trust
16 account, administratively established in 2021, shall be
17 reclassified as a trust fund.

18 SECTION 9. The non-profit employers deposit account, a
19 trust account administratively established in 1972, shall be
20 reclassified as a trust fund.



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1 SECTION 10. Any unencumbered balance in the human
2 trafficking victim services fund shall lapse to the credit of
3 the general fund.

4 SECTION 11. Statutory material to be repealed is bracketed
5 and stricken. New statutory material is underscored.

6 SECTION 12. This Act shall take effect on July 1, 2024.

7

INTRODUCED BY:



JAN 22 2024



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Report Title:

DLIR; Auditor; Repeal of Fund; Reclassification of Funds;
Transfer of Balances

Description:

Reclassifies or repeals certain non-general funds of the Department of Labor and Industrial Relations, pursuant to the recommendations made by the Auditor in Auditor's Report No. 23-06.

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

