A Bill for an Act Relating to the Spouse and Child Abuse Special Fund.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Congress passed the Family First Prevention Services Act of 2018 (Family First) as part of the Bipartisan Budget Act of 2018, Public Law 115-123. Family First changes the way states may spend and claim funds pursuant to Title IV-E of the Social Security Act. Previously, Title IV-E funds could only be used for foster care maintenance, adoption assistance, kinship guardianship assistance, and related training and administrative expenses.

Under Family First, states with an approved Title IV-E plan now have the option to use Title IV-E funds for prevention services that would allow children who have been abused or neglected or are at risk of being abused or neglected to remain with their parents or relatives. States can get reimbursed for certain

twelve-month periods of prevention services.

The department of human services seeks to retain Family First federal reimbursements and all Title IV-E federal reimbursements to secure a stable source of funding for child abuse and neglect prevention, intervention, and other services.

Currently, the department of human services is not allowed to retain reimbursements received for a prior fiscal year, and instead is required to deposit these reimbursements into the general fund. The department of human services returned approximately \$4,068,161 to the general fund in state fiscal year 2016-2017 and approximately \$6,736,894 to the general fund in state fiscal year 2017-2018 in Title IV-E federal reimbursements. The ability to retain Title IV-E federal reimbursements will assist to stabilize funding for prevention services; allow the State to maintain and develop its own evidence based, child abuse and prevention and intervention programs suited for Hawaii's diverse and unique communities; and improve and increase the State's capacity to prevent, reduce, and appropriately respond to the impacts of spousal and child abuse in our community.

The purposes of this Act are to:

- (1) Amend section 346-7.5, Hawaii Revised Statutes, to allow the spouse and child abuse special fund to receive Title IV-E federal reimbursements received in the fiscal year following the year in which the Title IV-E funds were expended, to replace the term "account" with "fund," and to delete the "department of human services" from the title:
- (2) Place a cap on the amount of funds that may be retained in the spouse and child abuse special fund and specify that funds in excess shall lapse to the general fund; and
- (3) Make conforming amendments to reflect the new title of the spouse and child abuse special fund.

SECTION 2. Section 235-102.5, Hawaii Revised Statutes, is amended by amending subsection (d) to read as follows:

- "(d) Notwithstanding any law to the contrary, any individual whose state income tax refund for any taxable year is \$5 or more may designate \$5 of the refund to be paid over as follows:
 - (1) One-third to the Hawaii children's trust fund under section 350B-2; and
 - (2) Two-thirds to be divided equally among:

- (A) The domestic violence and sexual assault special fund under the department of health in section 321-1.3;
- (B) The spouse and child abuse special [account] <u>fund</u> under the department of human services in section 346-7.5; and
- (C) The spouse and child abuse special account under the judiciary in section 601-3.6.

When designated by a taxpayer submitting a state income tax return to the department, the department of budget and finance shall allocate the moneys among the several funds as provided in this subsection. In the case of a joint return of a husband and wife having a state income tax refund of \$10 or more, each spouse may designate that \$5 be paid over as provided in this subsection. The director of taxation shall revise the individual state income tax form to allow the designation of contributions pursuant to this subsection on the face of the tax return and immediately above the signature lines. If no designation was made on the original tax return when filed, a designation may be made by the individual on an amended return filed within twenty months and ten days after the due date for the original return for such taxable year. A designation once made, whether by an original or amended return, may not be revoked."

SECTION 3. Section 338-14.5, Hawaii Revised Statutes, is amended to read as follows:

"§338-14.5 Copies of certificate; fees. The fees for certified copies of birth, marriage, divorce, or death certificates issued by the department of health shall consist of \$10 for the first copy issued and \$4 for each copy issued thereafter. These fees shall be collected for each single request for certified copies. All fees received for the issuance of certified copies of birth, marriage, divorce, or death certificates shall be remitted to the director of health. Upon the receipt of remittances under this section, the director of health shall deposit:

- (1) \$1 for each certified copy to the credit of the spouse and child abuse special [account] fund established under section 346-7.5;
- (2) \$1 for each certified copy to the credit of the spouse and child abuse special account established under section 601-3.6;
- (3) \$1 for each certified copy to the credit of the domestic violence and sexual assault special fund established under section 321-1.3;
- (4) \$1 for each certified copy to the credit of the vital statistics improvement special fund established under section 338-14.6; and
- (5) The remainder of the fee for each certified copy to the credit of the state general fund."

SECTION 4. Section 346-7.5, Hawaii Revised Statutes, is amended to read as follows:

"§346-7.5 Spouse and child abuse special [account; department of human services.] fund. (a) There is established within the state treasury a special fund to be known as the "spouse and child abuse special [account",] fund", and to be administered and expended by the department of human services.

- (b) The proceeds of the [account] special fund shall be reserved for use by the department of human services for staff programs, and grants or purchases of service, consistent with chapters 42F and 103F, that support or provide spouse or child abuse intervention or prevention as authorized by law. These proceeds shall be used for new or existing programs and shall not supplant any other funds previously allocated to these programs. [The account shall be kept separate and apart from all other funds in the treasury.]
- (c) The [account] special fund shall consist of fees remitted pursuant to sections 338-14.5 and 572-5, income tax remittances allocated under section 235-

- 102.5, federal reimbursements received through Title IV-E of the Social Security Act received in the following fiscal year from which the Title IV-E funds were expended, interest and investment earnings, grants, donations, and contributions from private or public sources. All realizations of the [account] special fund shall be subject to the conditions specified in subsection (b).
- (d) The department of human services[, in coordination with the department of health,] shall submit an annual report to the legislature, prior to the convening of each regular session, providing an accounting of the receipts of and expenditures from the [account.] special fund.
- (e) All unencumbered and unexpended moneys in excess of \$3,000,000 in the spouse and child abuse special fund shall lapse to the credit of the general fund. Upon dissolution of the spouse and child abuse special fund, any unencumbered moneys in the fund shall lapse to the general fund."

SECTION 5. Section 572-5, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

- "(a) The department of health shall appoint, and at its pleasure remove, one or more suitable persons as agents authorized to grant marriage licenses under this chapter in each judicial circuit. The agents may issue licenses from any state facility when deemed necessary by the director. Any agent appointed under this subsection and receiving an application for a marriage license shall collect from the applicant for the license \$60, of which the agent, except those provided for in subsection (b), shall retain \$9 for the agent's benefit and compensation and shall remit \$51 to the director of health. Upon the receipt of remittances under this subsection, the director of health shall deposit:
 - (1) \$32 for each license issued to the credit of the general fund of the State;
 - (2) \$4.50 for each license issued to the credit of the spouse and child abuse special [account] <u>fund</u> established under section 346-7.5;
 - (3) \$4.50 for each license issued to the credit of the spouse and child abuse special account established under section 601-3.6; and
 - (4) \$10 for each license issued to the credit of the birth defects special fund established under section 321-426.
- (b) The department may appoint, as regular employees under the civil service and classification laws, the number of suitable persons as agents authorized to grant marriage licenses for whom provision has been made in the general appropriation act. In the case of these agents, the full amount collected from applicants shall be remitted to the director of health. Upon the receipt of remittances under this subsection, the director of health shall deposit:
 - (1) \$41 for each license issued to the credit of the general fund of the State;
 - (2) \$4.50 for each license issued to the credit of the spouse and child abuse special [account] <u>fund</u> established under section 346-7.5;
 - (3) \$4.50 for each license issued to the credit of the spouse and child abuse special account established under section 601-3.6; and
 - (4) \$10 for each license issued to the credit of the birth defects special fund established under section 321-426."

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

SECTION 7. This Act shall take effect upon its approval.

(Approved June 7, 2019.)