Dear President Kouchi, Speaker Souki, and Members of the Legislature:

This is to inform you that on April 29, 2016, the following bill was signed into law:

SB2552 SD1 HD1 RELATING TO NON-GENERAL FUNDS

ACT 043 (16)

Sincerely,

David Y. Ige
Governor, State of Hawai‘i
A BILL FOR AN ACT

RELATING TO NON-GENERAL FUNDS.

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

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PART I

SECTION 1. The purpose of this Act is to:

(1) Repeal and abolish various non-general funds and accounts, pursuant to the recommendations made by the auditor in auditor's report no. 15-17, and transfers unencumbered balances to the general fund, emergency and budget reserve fund, or county of Hawaii; and

(2) Require the department of health to examine the distribution of revenues derived from fees for birth, marriage, divorce, and death certificates.

PART II

SECTION 2. The purpose of this part is to repeal the early intervention trust fund.

The legislature finds that the fund does not serve the purpose for which it was created and does not meet the criteria for a trust fund.
SECTION 3. Section 321-357, Hawaii Revised Statutes, is amended as follows:

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

"[[]§321-357[[]] Early intervention [fund[,] special fund; purpose and use. (a) The purpose of the early intervention special fund [and early intervention trust fund] is to expand and enhance early intervention services for infants and toddlers with special needs by providing a cooperative funding mechanism between the public and private sectors to work together to make and secure appropriations and donations to the [fund[,] fund."

2. By amending subsection (d) to read:

"(d) The Hawaii early intervention coordinating council shall make recommendations to the department for the expenditure of moneys from the [fund[,] early intervention special fund."

SECTION 4. Section 321-356, Hawaii Revised Statutes, is repealed.

"§321-356 Early intervention trust fund. (a) There is established in the state treasury a trust fund to be known as the early intervention trust fund to be administered by the department in accordance with this section."
(b) The trust fund shall consist of government grants and 
private contributions including but not limited to gifts or 
donations from corporations or other businesses, foundations, 
individuals, and other interested parties, and income earned by 
the trust fund. All program income consisting of federal 
reimbursement funds received by the State for early intervention 
funded by private donations and contributions under this part 
shall be deposited into the trust fund."

SECTION 5. On July 1, 2016, all unencumbered balances 
remaining in the early intervention trust fund repealed by 
section 4 of this Act shall lapse to the credit of the general 
fund.

PART III

SECTION 6. The following funds and accounts are abolished:

(1) The early childhood obesity special fund 
administratively established in fiscal year 2011-2012 
and administered by the department of health;

(2) The grant for Catholic Charities-Lanakila senior 
center special fund administratively established and 
without any financial activity since 2007;
(3) The grant for emergency room subsidy at Waianae coast clinic special fund administratively established and without any financial activity since 2007;

(4) The grant for Hawai‘i primary care association dental special fund administratively established and without any financial activity since 2007;

(5) The hospital-based poison center special fund administratively established and without any financial activity since 2006;

(6) The interagency federal revenue maximization revolving fund established pursuant to section 29-24, Hawaii Revised Statutes, which was repealed by Act 124, Session Laws of Hawaii 2011;

(7) The program for all inclusive care for elderly special fund administratively established and without any financial activity since 2006;

(8) The resources to nonprofit, community-based health care special fund administratively established and without any financial activity since 2006;

(9) The respite services special fund administratively established in 2009; and
(10) The subsidy for St. Francis medical center—bone marrow special fund administratively established and without any financial activity since 2007; and any remaining unencumbered balances shall be transferred to the general fund.

PART IV

SECTION 7. The following funds and accounts are abolished:

(1) The funding for grant pursuant to chapter 42F, Hawaii Revised Statutes, special fund administratively established in 2010 for moneys appropriated from the emergency and budget reserve fund through Act 191, Session Laws of Hawaii 2010, and Act 25, Session Laws of Hawaii 2011, which extended the lapse date to the end of fiscal year 2011-2012;

(2) The healthy aging partnerships program special fund administratively established in 2010 for moneys from the emergency and budget reserve fund authorized through Act 191, Session Laws of Hawaii 2010, for fiscal year 2010-2011 and Act 25, Session Laws of Hawaii 2011, which extended the lapse date from June 30, 2011, to June 30, 2012; and
(3) The partnership in community living program special fund administratively established in 2010 for moneys appropriated from the emergency and budget reserve fund through Act 191, Session Laws of Hawaii 2010, and Act 25, Session Laws of Hawaii 2011, which extended the lapse date to the end of fiscal year 2011-2012; and any remaining unencumbered balances shall be transferred to the emergency and budget reserve fund established pursuant to section 328L-3, Hawaii Revised Statutes.

PART V

SECTION 8. The Hilo shippers’ wharf committee charitable trust fund established in 1954 is abolished and any remaining unencumbered balance shall be transferred to the county of Hawaii pursuant to third circuit vesting order no. 03-1-0010.

PART VI

SECTION 9. The purpose of this part is to require the department of health to examine the distribution of revenues derived from fees for birth, marriage, divorce, and death certificates.

SECTION 10. (a) The department of health, with the cooperation of the department of taxation, department of budget
and finance, and other relevant executive departments, shall conduct a study on the distribution of revenues derived from fees for birth, marriage, divorce, or death certificates.

(b) The study shall include the following:

(1) Estimated total revenues derived from the fees through fiscal year 2024-2025;

(2) Estimated distribution of fee revenues among the non-general funds specified in section 338-14.5, Hawaii Revised Statutes, through fiscal year 2024-2025;

(3) Estimated budgetary needs of the agencies and programs supported by the non-general funds listed in section 338-14.5, Hawaii Revised Statutes, through fiscal year 2024-2025;

(4) Differences between the estimated budgetary needs of the agencies and programs under paragraph (3) and their estimated share of fee revenues; and

(5) A recommendation on whether to:

(A) Continue the distribution of fee revenues to the non-general funds, with or without modification; or
(B) Redistribute all or most of the fee revenues to the general fund and change the means of financing of affected agencies and programs to general funds.

SECTION 11. The department of health shall submit the study, with its findings and recommendations, to the legislature and governor no later than November 1, 2016.

PART VII

SECTION 12. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 13. This Act shall take effect on July 1, 2016.

APPROVED this 29 day of APR, 2016

GOVERNOR OF THE STATE OF HAWAII