JAN 24 2007

#### A BILL FOR AN ACT

RELATING TO STATE FINANCES.

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

1	PART I
2	SECTION 1. Section 26-5, Hawaii Revised Statutes, is
3	amended to read as follows:
4	"§26-5 Department of human resources development. (a)
5	The department of human resources development shall be headed by
6	a single executive to be known as the director of human
7	resources development.
8	(b) The department shall administer the state human
9	resources program, including human resources development and
10	training, and central human resources services such as
11	recruitment, examination, classification, pay administration,
12	and payment of any claims as required under chapter 386.
13	(c) There shall be within the department of human
14	resources development a board to be known as the merit appeals
15	board which shall sit as an appellate body on matters set forth
16	in section 76-14. The board shall consist of three members.
17	All members shall have knowledge of public employment laws and

- 1 prior experience with public employment; provided that at least
- 2 one member's experience was with an employee organization as a
- 3 member or an employee of that organization and at least one
- 4 member's experience was with management. The governor shall
- 5 consider the names of qualified individuals submitted by
- 6 employee organizations or management before appointing the
- 7 members of the board. The chairperson of the board shall be
- 8 designated as specified in the rules of the board.
- 9 (d) The provisions of section 26-34 shall not apply and
- 10 the board members shall be appointed by the governor for four-
- 11 year terms and may be re-appointed without limitation; provided
- 12 that the initial appointments shall be for staggered terms, as
- 13 determined by the governor. The governor shall fill any vacancy
- 14 by appointing a new member for a four-year term. The governor
- 15 may remove for cause any member after due notice and public
- 16 hearing.
- 17 (e) Nothing in this section shall be construed as in any
- 18 manner affecting the civil service laws applicable to the
- 19 several counties, the judiciary, or the Hawaii health systems
- 20 corporation, which shall remain the same as if this chapter had
- 21 not been enacted.



1	[(f) There is established in the state treasury the human			
2	resources development special fund, to be administered by the			
3	department of human resources development, which shall consist			
4	of: all revenues received by the department as a result of			
5	entrepreneurial efforts in securing new sources of funds not			
6	provided for in the department's budget for services rendered by			
7	the department, all revenues received by the department from the			
8	charging of participant fees for in service training that are i			
9	addition to general fund appropriations in the department's			
10	budget for developing and operating in service training			
11	programs, appropriations made by the legislature to the fund,			
12	and moneys directed to the department from any other source,			
13	including gifts, grants, and awards.			
14	Moneys in the human resources development special fund			
15	shall be used for the following purposes:			
16	(1) Supporting the department's entrepreneurial			
17	initiatives, training activities, and programs;			
18	(2) Administrative costs of the department's			
19	entrepreneurial initiatives, training activities, and			
20	programs; and			
21	(3) Any other purpose deemed necessary by the director for			
22	the purpose of facilitating the department's			



1	entrepreneurial initiatives, training activities, and		
2	<del>programs.</del> ]"		
3	SECTION 2. Section 37-52.3, Hawaii Revised Statutes, is		
4	amended to read as follows:		
5	"[+]\$37-52.3[+] Criteria for the [establishment] review		
6	and continuance of special funds. [Special funds shall only be		
7	established pursuant to an act of the legislature.] (a) The		
8	legislature shall conduct reviews of all special funds in		
9	existence every two years in conjunction with the beginning of a		
10	fiscal biennium.		
11	(b) The legislature, in [establishing or] reviewing a		
12	special fund to determine whether it should be continued, shall		
13	ensure that the special fund:		
14	(1) Serves the purpose for which it was originally		
15	established;		
16	(2) Reflects a clear nexus between the benefits sought and		
17	charges made upon the users or beneficiaries of the		
18	program, as opposed to serving primarily as a means to		
19	provide the program or users with an automatic means		
20	of support that is removed from the normal budget and		
21	appropriation process;		

1	(3) Provides an appropriate means of financing for the
2	program or activity; and
3	(4) Demonstrates the capacity to be financially self-
4	sustaining."
5	SECTION 3. Section 37-53, Hawaii Revised Statutes, is
6	amended to read as follows:
7	"§37-53 Transfer of special funds. At any time during a
8	fiscal year, notwithstanding any other law to the contrary, any
9	department may, with the approval of the governor or the
10	director of finance if so delegated by the governor, transfer
11	from any special fund relating to such department to the general
12	revenues of the State all or any portion of moneys determined to
13	be in excess of fiscal year requirements for such special fund,
14	except for special funds under the control of the department of
15	transportation relating to highways, airports, transportation
16	use, and harbors activities, special funds under the control of
17	the Hawaii health systems corporation, and special funds of the
18	University of Hawaii. At any time the department of
19	transportation, with the approval of the governor or the
20	director of finance if so delegated by the governor, may
21	transfer from any special fund under the control of the
22	department of transportation, or from any account within any

- 1 such special fund, to the general revenues of the State or to
- 2 any other special fund under the control of the department of
- 3 transportation all or any portion of moneys determined to be in
- 4 excess of requirements for the ensuing twelve months determined
- 5 as prescribed by rules adopted pursuant to chapter 91; provided
- 6 that no such transfer shall be made which would cause a
- 7 violation of federal law or federal grant agreements. A
- 8 department shall notify the legislature of any transfers no
- 9 later than thirty days after the transfer is complete."
- 10 SECTION 4. Section 302A-405, Hawaii Revised Statutes, is
- 11 amended to read as follows:
- 12 "§302A-405 School cafeterias; funds; expenditures. (a)
- 13 The price for the school lunch shall be set by the department to
- 14 ensure that moneys received from the sale of the lunches may be
- 15 up to one-half of the cost of preparing the school lunch. The
- 16 price for the school lunch shall be based on the average cost of
- 17 preparing the school lunch over the three years preceding any
- 18 increase; provided that the department by rule shall provide a
- 19 lower rate or free lunches to children based on their economic
- 20 need.
- 21 [(b) All moneys received by or for the public school
- 22 cafeterias from the sale of meals, the sale of services, the



1 federal government, or any other source, shall be deposited in 2 one special school lunch fund. Except as otherwise provided by 3 the legislature, all expenditures for the operation of public 4 school cafeterias shall be made from this fund. 5 (c) (b) It is the intent of this section not to 6 jeopardize the receipt of any federal aid and to the extent, and 7 only to the extent necessary to effectuate this intent, the 8 governor may modify the strict provisions of this section, but 9 shall promptly report any such modification with the governor's 10 reasons therefor to the next succeeding session of the 11 legislature for review." 12 SECTION 5. Section 607-5.6, Hawaii Revised Statutes, is 13 amended to read as follows: 14 "§607-5.6 Surcharge for parent education for separating 15 parties in matrimonial actions, where either party has a minor 16 child, and for parties in parentage actions; special fund. 17 In addition to the fees prescribed under section 607-5 for a 18 matrimonial action where either party has a minor child, or a 19 family court proceeding under chapter 584, the court shall 20 collect a surcharge of \$50 at the time of filing the initial

complaint or petition. In cases where the surcharge has been

initially waived, the court may collect the surcharge subsequent

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to the filing with such surcharge to be assessed from either 1 2 party or apportioned between both parties. 3 No surcharge shall be assessed: (b) 4 (1) Against any party who has received an initial waiver 5 of filing fees, except that the court may subsequently determine that a party has the financial ability to 6 7 pay the surcharge; or 8 (2) Against any party proceeding on behalf of the State or 9 any of the various counties. Surcharges subject to this section shall be limited to 10 11 one surcharge per case. 12 (d) There is established within the state treasury the 13 parent education special fund into which shall be deposited revenues assessed under subsection (a), interest and investment 14 15 earnings, grants, donations, and contributions from private or 16 public sources. The fund shall be administered by the judiciary, subject to the conditions specified in subsection 17 18 <del>(e)</del>. (e) The special fund shall be used solely for expenditures 19 20 related to providing education on all islands for separating 21 parents in matrimonial actions and parties in parentage actions

and their minor children. Revenues deposited into the special

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- 1 fund may be used for existing or enhanced parent education
- 2 programs administered by the judiciary, or for grants or
- 3 purchases of service pursuant to chapter 42F. All
- 4 appropriations or authorizations from the special fund shall be
- 5 expended by the judiciary.
- 6 (f) The judiciary shall submit an annual financial report
- 7 to the legislature, prior to the convening of each regular
- 8 session, which shall include an accounting of all deposits and
- 9 expenditures from the fund.]"
- 10 SECTION 6. Section 706-603, Hawaii Revised Statutes, is
- 11 amended to read as follows:
- 12 "§706-603 DNA analysis monetary assessment; DNA registry
- 13 special fund. (1) In addition to any disposition authorized by
- 14 chapter 706 or 853, every defendant convicted of a felony
- 15 offense shall be ordered to pay a monetary assessment of \$500 or
- 16 the actual cost of the DNA analysis, whichever is less. The
- 17 court may reduce the monetary assessment if the court finds,
- 18 based on evidence presented by the defendant and not rebutted by
- 19 the State, that the defendant is not and will not be able to pay
- 20 the full monetary assessment and, based on the finding, shall
- 21 instead order the defendant to pay an assessment that the
- 22 defendant will be able to pay within five years.

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crime shall be made before payment of the monetary assessment.	07
$[\frac{4}{4}]$ (3) Restitution to the victim of a sexual or violent	61
<del>cyapter 844D.</del> ]	81
preserving, and disseminating DNA information pursuant to	LI
coffection, DNA testing, and related costs of recording,	91
Woncys in the DWA registry special fund shall be used for DWA	SI
(a) Interest carned on any moneys in the fund.	ÞΙ
aonkac+ auq	EI
(p) VII of yer wouch a received by the fund from any other	71
*(1) uoijaagna	п
(a) All assessments and penalties ordered pursuant to	01
attorncy general. The fund shall consist of:	6
Enc DNA registry special fund which shall be administered by the	8
[ <del>(3) There is established a special fund to be known as</del>	L
registry spectal [established in subsection (3)].	9
law. All assessments and penalties shall be paid into the [DMA	S
or reduce, any fine or restitution authorized or required by	<b>†</b>
addition to, and not in lieu of, and shall not be used to offset	ε
assessment and penalty provided by this section shall be in	z
(2) Notwithstanding any other law to the contrary, the	Ţ

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         SECTION 7. The legislature finds that the auditor
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    conducted an update of its 1992 Loss of Budgetary Control:
3
    Summary Report of the Review of Special and Revolving Funds
4
    (report no. 92-14). Report no. 92-14 provided an overview of
5
    five reports issued in 1991 and 1992 that reviewed all special
6
    and revolving funds in existence as of July 1, 1990, of sixteen
7
    state departments, the University of Hawaii, and the judiciary.
8
         According to the auditor's July, 2001, update of report no.
9
    92-14, a majority (one hundred six out of one hundred sixty-six)
10
    of the special and revolving funds previously reviewed were
    still in existence as of July 1, 1999. The auditor also found
11
12
    that few of the one hundred six special and revolving funds have
13
    undergone significant changes since they were last reviewed.
14
    The auditor also found thirty-one special and revolving funds
15
    previously reviewed in 1991 and 1992, that were in existence as
16
    of July 1, 1999, still did not meet all established criteria.
    The fiscal year 1999-2000 ending cash balance of these thirty-
17
18
    one funds totaled approximately $77,400,000.
19
         The auditor also found that one hundred thirty-two special
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    and revolving funds have been statutorily or administratively
    created since July 1, 1990, but twenty-five of these funds have
21
22
    since been repealed or discontinued. The aggregate cash balance
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- 1 of the special and revolving funds created after July 1, 1990,
- 2 and still in existence as of June 30, 2000, totaled
- 3 approximately \$220,000,000. However, the auditor found that
- 4 thirty-eight of these special and revolving funds did not meet
- 5 all criteria of a special or revolving fund and held over
- 6 \$19,000,000 outside the general fund.
- 7 In 2002, the governor signed into law Act 178, which
- 8 implemented some of the recommendations of the auditor by
- 9 discontinuing and transferring approximately \$145,000,000 from
- 10 select special and revolving funds to the general fund.
- 11 The legislature finds that the use of special funds as an
- 12 alternative means of financing state government projects and
- 13 programs has resulted in the misuse of state funds. Funds that
- 14 are still in existence that were recommended for repeal by the
- 15 auditor currently total approximately \$100,000,000. The
- 16 legislature further finds that the projects and programs funded
- 17 by special funds, with the exception of federally mandated
- 18 programs and funds, should be held accountable and present to
- 19 the legislature their budgetary requests and justifications
- 20 through general fund appropriations.

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The purpose of this part is to repeal certain special
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    funds, with the exception of federally mandated or funded
2
3
    special funds.
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         SECTION 8. Section 28-15, Hawaii Revised Statutes, is
5
    repealed.
         ["[§28-15] Tobacco enforcement special fund. (a) There
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7
    is established in the state treasury the tobacco enforcement
8
    special fund, into which shall be deposited the tobacco
    settlement moneys as provided by section 328L 2(a), the
9
    allocated portion of the stamp fee designated to pay for the
10
    cost of enforcing the cigarette tax stamp as provided by section
11
12
    245-26, and fines as provided for by section 245-41.
13
         (b) The tobacco enforcement special fund shall be
    administered by the department of the attorney general and shall
14
    be used for administering, operating, monitoring, and ensuring
15
    compliance with and enforcement of:
16
17
         (1) The Master Settlement Agreement as defined in chapter
18
              675 and any other statutes or programs relating to
19
              that agreement;
20
         (2) Chapter 675;
         (3) Tobacco prevention programs;
21
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1	(4)	The cigarette tax stamp as defined in chapter 245 and
2		any other statutes or programs relating to that
3		<del>chapter;</del>
4	<del>(5)</del>	Chapter 245;
5	(6)	Chapter 486P and any other statutes or programs
6		relating to that chapter; and
7	<del>(7)</del>	Any other requirement deemed necessary to carry out
8		the purposes of the fund.
9	<del>(c)</del>	All unencumbered and unexpended moneys in excess of
10	\$500,000	remaining on balance in the tobacco enforcement special
11	fund at t	he close of June 30 of each year shall lapse to the
12	credit of	the state general fund.
13	<del>(d)</del>	The department of the attorney general shall submit a
14	report to	the legislature, no later than twenty days prior to
15	the conve	ning of each regular session, providing an accounting
16	of the re	ceipts and expenditures of the fund. "]
17	SECT	ION 9. Section 109-9, Hawaii Revised Statutes, is
18	repealed.	
19	[	109-9] Kapolei recreational sports complex special
20	fund. Th	ere is created a special fund to be known as the
21	Kapolei r	ecreational sports complex special fund into which
22	funds app	ropriated by the legislature, received pursuant to a
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management contract under section 109-2(3), or collected by the
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    authority from the operations of the Kapolei recreational sports
2
    complex shall be deposited subject to contracts entered into
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4
    pursuant to section 109-2(3); provided that all funds received
5
    pursuant to this section shall be kept completely separate from
    the stadium special fund. Moneys may not be transferred between
6
7
    the Kapolei recreational sports complex special fund and the
8
    stadium special fund. The Kapolei [recreational] sports complex
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    special fund shall be applied, used, and disposed of for the
10
    payment of:
11
         (1) The expenses of the operation, maintenance, promotion,
12
              and management of; and
13
         (2) All or a portion of the cost of financing any capital
14
              improvement project for;
15
    the Kapolei recreational sports complex; provided that all
16
    services required for the Kapolei recreational sports complex
17
    shall be performed by persons hired on contract or otherwise,
    without regard for chapter 76, provided further that the
18
19
    authority shall report annually to the legislature all receipts
20
    and expenditures of the Kapolei recreational [sports] complex
21
    special fund account no later than twenty days prior to the
22
    convening of each regular session."]
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1	SECT	TION 10. Section 141-2.7, Hawaii Revised Statutes, is
2	repealed.	
3	[# [ <b>2</b>	141-2.7] Aquaculture development special fund. (a)
4	There is	established in the state treasury the aquaculture
5	developme	ent special fund into which shall be deposited:
6	(1)	Appropriations from the legislature;
7	<del>(2)</del>	Moneys collected as fees for special microbiological
8		and histological procedures and expert aquaculture-
9		related services;
10	<del>(3)</del>	Moneys collected from the sale of any item related to
11		aquaculture development that is purchased from the
12		<del>department;</del>
13	(4)	Moneys directed to the aquaculture development program
14		from any other sources, including but not limited to
15		grants, gifts, and awards; and
16	<del>(5)</del>	Moneys derived from interest, dividend, or other
17		income from the above sources.
18	<del>(b)</del>	Moneys in the aquaculture development special fund
19	shall be	<del>used to:</del>
20	(1)	Implement the aquatic disease management programs and
21		activities of the department, including provision of
22		state funds to match federal grants; and

Ţ	<del>(2)</del>	Support research and deveropment programs and
2	ŧ	activities relating to the expansion of the state
3	·	aquaculture industry. Research and development
4	1	programs and activities funded under this paragraph
5	Ĭ	may be conducted by department personnel or through
6	•	contracts with the University of Hawaii or other
7	•	qualified persons."]
8	SECTIO	ON 11. Section 142-28.5, Hawaii Revised Statutes, is
9	repealed.	
10	[# <del>[\$1</del>	42-28.5] Animal quarantine special fund. There is
11	establishe	d the animal quarantine special fund to be
12	administer	ed by the board of agriculture. All moneys received
13	by the boa	rd of agriculture from:
14	(1)	Fees for the quarantine of cats, dogs, and other
15	•	carnivores pursuant to this chapter;
16	<del>(2)</del> 1	Moneys received for the use of animal quarantine
17	1	property or facilities pursuant to section 142-3.5; or
18	(3)	State appropriations or other moneys made available,
19	shall be d	eposited into the special fund. All interest earned
20	<del>or accrued</del>	on moneys deposited in the special fund shall become
21	part of th	e special fund. Moneys in the special fund shall be
22	expended t	o cover all costs of quarantine but not limited to the
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1
    costs of salaries, fringe benefits, operating expenses,
 2
    including the defraying of quarantine fees, equipment, motor
    vehicles, contract with any qualified person or entity for
 3
 4
    animal care services, operation and maintenance of the
5
    quarantine station, and promotional expenses. A reserve shall
6
    be appropriated and maintained in the special fund to cover
7
    contingency costs, including but not limited to accrued vacation
8
    leave, unemployment insurance, and workers compensation."
9
         SECTION 12. Section 157-29, Hawaii Revised Statutes, is
10
    repealed.
11
         [#[$157-29] Milk control special fund. There is
12
    established the milk control special fund to be administered by
13
    the board of agriculture. All moneys received by the board of
14
    agriculture as application fees and for licenses or otherwise
15
    under this chapter, and any state appropriations or other moneys
16
    made available to carry out the purposes of this chapter, shall
17
    be deposited into the special fund. All interest earned or
18
    accrued on moneys deposited in the special fund shall become
19
    part of the special fund. Moneys in the special fund shall be
20
    expended to cover all costs of administering this chapter
21
    including but not limited to the costs of salaries, fringe
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    benefits, operating expenses, equipment, motor vehicles,
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1 contracts for services, and promotional expenses. Moneys in the special fund may be transferred to the general fund for salaries 2 3 and fringe benefits of other state employees assisting in 4 administering this chapter and other related costs. A reserve 5 shall be maintained in the special fund to cover contingency 6 costs including but not limited to accrued vacation leave, unemployment insurance, and workers' compensation."] 7 8 SECTION 13. Section 171-19.5, Hawaii Revised Statutes, is 9 repealed. 10 ["[\$171-19.5] Infrastructure development fund; 11 establishment. (a) There is established in the state treasury 12 the infrastructure development fund to be administered by the 13 department of land and natural resources. Funds transferred or 14 appropriated by the legislature and moneys received or collected 15 by the department of land and natural resources, as authorized 16 by the legislature, shall be deposited into the infrastructure 17 development fund. 18 (b) The infrastructure development fund shall be used to 19 provide funding for infrastructure development in the Kikala-20 Keokea area on the island of Hawaii to benefit residents of 21 Kalapana who have been dispossessed of their homes and lands as 22 a result of the continued volcanic eruptions on the island of

1 Hawaii, which began on January 3, 1983. Proceeds of this fund 2 may be used for necessary expenses in the administration of the 3 fund. 4 (c) Upon fulfillment of the purposes of this section, any 5 unexpended or unencumbered funds appropriated by the legislature 6 or remaining in the infrastructure development fund as of the close of business on December 31, 2004, shall not lapse into 7 8 that fund or to the credit of the general fund, but shall be 9 transferred to the credit of the Kikala-Keokea housing revolving 10 fund established in section 201H-170.5 as of that date; provided 11 that any unexpended or unencumbered moneys that were provided by 12 the office of Hawaiian affairs and deposited into the 13 infrastructure development fund for the purpose of 14 infrastructure development shall be refunded to the office of 15 Hawaiian affairs upon the completion of the fund's intended 16 purpose. No funds shall be transferred until all funding 17 commitments entered into by the department of land and natural 18 resources to complete the design and construction of 19 infrastructure improvements have been executed. "] 20 SECTION 14. Section 171-156, Hawaii Revised Statutes, is 21 repealed.

1	[u [ <del>8</del>	171-156] Beach restoration special fund. (a) There
2	<del>is establ</del>	ished in the state treasury a special fund to be
3	designate	d as the "beach restoration special fund" to carry out
4	the purpo	ses of this part. The following moneys shall be
5	deposited	into the beach restoration special fund:
6	<del>(1)</del>	Proceeds from the lease or development of public
7		coastal lands designated pursuant to a beach
8		restoration plan, subject to the Hawaiian Homes
9		Commission Act of 1920, as amended, and section 5(f)
10		of the Admission Act of 1959;
11	<del>(2)</del>	Proceeds from the lease of public lands pursuant to
12		this part for an existing seawall or revetment;
13	<del>(3)</del>	Fines collected for unauthorized shoreline structures
14		on state submerged land or conservation district land;
15	(4)	Appropriations made by the legislature for deposit
16		into this fund;
17	<del>(5)</del>	Donations and contributions made by private
18		individuals or organizations for deposit into this
19		fund;
20	<del>(6)</del>	Fees collected for the processing of applications for
21		coastal and beach erosion control projects; and

1	<del>(7)</del>	Grants provided by governmental agencies or any other
2		source.
3	<del>(b)</del>	The beach restoration special fund may be used by the
4	departmen	t for one or more of the following purposes:
5	(1)	Planning, designing, development, or implementation of
6		beach restoration projects pursuant to this part; and
7	<del>(2)</del>	Providing grants to the counties, nongovernmental
8		organizations, and the University of Hawaii for the
9		restoration of beach lands and for research or
10		engineering studies necessary to support beach
11		restoration projects, subject to this part."]
12	SECT	ION 15. Section 174C-5.5, Hawaii Revised Statutes, is
13	repealed.	
14	[ <u>#</u> [\$	174C-5.5] Water resource management fund. (a) There
15	<del>is establ</del>	ished in the department a special fund to be designated
16	as the wa	ter resource management fund. The fund shall be
17	administe	red by the commission. The water resource management
18	<del>fund shal</del>	l be used for the following:
19	<del>(1)</del>	Monitoring programs and activities concerning water
20		resource quality, protection, and management;

1	(2)	Research programs and activities concerning water
2		conservation and investigation of alternative sources
3		of water;
4	<del>(3)</del>	Preparation and dissemination of information to the
5		public concerning activities authorized under this
6		chapter;
7	<del>(4)</del>	Data collection, development, and updating of long-
8		range planning documents authorized under this
9		chapter; and
10	<del>(5)</del>	Any other protection, management, operational, or
11		maintenance functions authorized and deemed necessary
12		by the commission, including but not limited to
13		funding permanent or temporary staff positions.
14	<del>(b)</del> —	The following shall be deposited into the water
15	resource i	management fund:
16	(1)	Appropriations by the legislature to the water
17		resource management fund;
18	<del>(2)</del>	All fees and administrative charges collected under
19		this chapter or any rule adopted thereunder;
20	<del>(3)</del>	Moneys collected as fines or penalties imposed under
21		this chapter or any rule adopted thereunder.

1	(4)	Moneys derived from public and private sources to
2		benefit water resource protection and management;
3	<del>(5)</del>	Any moneys collected from the sale of retail items by
4		the department related to water resources;
5	<del>(6)</del>	Any other moneys collected pursuant to chapter 174C;
6		<del>and</del>
7	<del>(7)</del>	Moneys derived from interest, dividend, or other
8		income from the above sources."]
9	SECT	ION 16. Section 184-3.4, Hawaii Revised Statutes, is
10	repealed.	
11	["{\$	184-3.4] State parks special fund. (a) There is
12	establish	ed within the state treasury a fund to be known as the
13	state par	ks special fund, into which shall be deposited:
14	(1)	All proceeds collected by the state parks programs
15		involving park user fees, any leases or concession
16		agreements, the sale of any article purchased from the
17		department to benefit the state parks programs, or any
18		gifts or contributions; provided that proceeds derived
19		from the operation of Iolani Palace shall be used to
20		supplement its educational and interpretive programs;
21		<del>and</del>

1	<del>(2)</del>	Transient accommodations tax revenues pursuant to
2		section 237D-6.5; provided that these moneys shall be
3		expended in response to a master plan developed in
4		coordination with the Hawaii tourism authority.
5	<del>(b)</del>	The department shall expend the moneys from the state
6	<del>parks spe</del>	cial fund for the following purposes:
7	(1)	Permanent and temporary staff positions;
8	<del>(2)</del>	Planning and development of state parks programs,
9		including the aina hoomalu state parks program;
10	<del>(3)</del>	Construction, repairs, replacement, additions, and
11		extensions of state parks facilities;
12	(4)	Operation and maintenance costs of state parks and
13		state parks programs; and
14	<del>(5)</del>	Administrative costs of the division of state parks."]
15	SECT	ION 17. Section 189-2.4, Hawaii Revised Statutes, is
16	repealed.	
17	[ <del>"[</del> \$	189-2.4] Commercial fisheries special fund. (a)
18	There is	established in the treasury of the State a special fund
19	to be kno	wn as the commercial fisheries special fund which shall
20	be admini	stered by the department.
21	<del>(b)</del>	The following revenues shall be deposited into the
22	commercia	<del>l fisheries special fund:</del>

1	<del>(1)</del>	Moneys collected as fees for licenses and permits
2		related to commercial fishing and the sale of aquatic
3		life, use of public fishing grounds for commercial
4		fishing purposes, and use of commercial fisheries
5		related facilities;
6	<del>(2)</del>	Moneys collected under the provision of any law or
7		rule related to the importation, rearing, fishing,
8		taking, catching, or killing of any aquatic life for
9		commercial purposes;
10	<del>(3)</del>	Moneys, other than informers! fees authorized under
11		section 187A 14, collected as fines or bail
12		forfeitures or administrative fines for violations of
13		this chapter;
14	(4)	Moneys collected from the sale of any article
15		purchased from the department related to aquatic life
16		used for commercial purposes or fishing for commercial
17		<del>purposes;</del>
18	<del>(5)</del>	Any monetary contributions or moneys collected from
19		the sale of nonmonetary gifts to benefit aquatic life
20		used for commercial purposes or fishing for commercial
21		purposes; and

1	(6)	Moneys derived from interest, dividend, or other
2		income from the above sources.
3	<del>(e)</del>	The commercial fisheries special fund shall be used
4	for the f	<del>ollowing:</del>
5	<del>(1)</del>	Programs and activities for projects concerning
6		aquatic life used for commercial purposes;
7	<del>(2)</del>	Developing and conducting resource monitoring
8		programs, conducting studies to determine the
9		sustainable use of aquatic life for commercial
10		purposes, and developing recommendations for
11		acceptable levels of use;
12	(3)	Research programs and activities concerning the
13		conservation and management of aquatic life for
14		commercial purposes;
15	(4)	Programs and activities concerning the importation and
16		management, preservation, propagation, enforcement,
17		and protection of aquatic life used for commercial
18		purposes; and
19	<del>(5)</del>	Payroll for personnel of the department or the
20		awarding of grants in aid to or contracts with the
21		University of Hawaii or other qualified organizations
22		or individuals to develop or implement the programs

1	and activities for the conservation and management of		
2	aquatic life for commercial purposes.		
3	(d) The proceeds of the commercial fisheries special fund		
4	shall not be used as security for, or pledged to the payment of		
5	principal or interest on, any bonds or instruments of		
6	<del>indebtedness.</del>		
7	(e) Nothing in this section shall be construed to prohibit		
8	the use of general funds or the funds of other programs and		
9	activities to implement or enforce title 12, subtitle 5,		
10	concerning management and conservation of aquatic life used for		
11	eommercial purposes."]		
12	SECTION 18. Section 201-113, Hawaii Revised Statutes, is		
13	repealed.		
14	[#[\$201-113] Hawaii television and film development		
15	special fund. (a) There is established in the state treasury		
16	the Hawaii television and film development special fund into		
17	which shall be deposited:		
18	(1) Appropriations by the legislature;		
19	(2) Donations and contributions made by private		
20	individuals or organizations for deposit into the		
21	<del>fund;</del>		

1	(3)	Grants provided by governmental agencies or any other
2		source; and
3	(4)	Any profits or other amounts received from venture
4		capital investments.
5	<del>(b)</del>	The fund shall be used by the board to assist in, and
6	<del>provide i</del>	ncentives for, the production of eligible Hawaii
7	<del>projects</del>	that are in compliance with criteria and standards
8	establish	ed by the board in accordance with rules adopted by the
9	<del>board pur</del>	suant to chapter 91. In particular, the board shall
10	adopt rul	es to provide for the implementation of the following
11	<del>programs:</del>	
12	(1)	A grant program. The board shall adopt rules pursuant
13		to chapter 91 to provide conditions and qualifications
14		for grants. Applications for grants shall be made to
15		the board and shall contain such information as the
16		board shall require by rules adopted pursuant to
17		chapter 91. At a minimum, the applicant shall agree
18		to the following conditions:
19		(A) The grant shall be used exclusively for eligible
20		Hawaii projects;
21		(B) The applicant shall have applied for or received
22		all applicable licenses and permits;

1	<del>(C)</del>	The applicant shall comply with applicable
2		federal and state laws prohibiting discrimination
3		against any person on the basis of race, color,
4		national origin, religion, creed, sex, age, or
5		physical handicap;
6	<del>(D)</del>	The applicant shall comply with other
7		requirements as the board may prescribe;
8	<del>(E)</del>	All activities undertaken with funds received
9		shall comply with all applicable federal, state,
10		and county statutes and ordinances;
11	<del>(F)</del> -	The applicant shall indemnify and save harmless
12		the State of Hawaii and its officers, agents, and
13		employees from and against any and all claims
14		arising out of or resulting from activities
15		carried out or projects undertaken with funds
16		provided hereunder, and procure sufficient
17		insurance to provide this indemnification if
18		requested to do so by the department;
19	<del>(G)</del>	The applicant shall make available to the board
20		all records the applicant may have relating to
21		the project, to allow the board to monitor the

1		<del>applicant</del>	's compliance with the purpose of this
2		chapter,	<del>and</del>
3		(H) The appli	cant, to the satisfaction of the board,
4		shall est	ablish that sufficient funds are
5		available	for the completion of the project for
6		the purpo	se for which the grant is awarded; and
7	<del>(2)</del>	\ venture capi	tal program. The board shall adopt
8		<del>rules pursuant</del>	to chapter 91 to provide conditions and
9		qualifications	for venture capital investments in
10		eligible Hawai	i projects. The program may include a
11		<del>vritten agreem</del>	ent between the borrower and the board,
12		as the represen	ntative of the State, that as
13		onsideration :	for the venture capital investment made
14		under this par	t, the borrower shall share any
15		oyalties, lie	enses, titles, rights, or any other
16		onetary benefi	its that may accrue to the borrower
17		oursuant to te	rms and conditions established by the
18		ocard by rule	pursuant to chapter 91. Venture capita
19		nvestments ma	y be made on such terms and conditions
20		s the board s	hall determine to be reasonable,
21		<del>ppropriate, a</del>	nd consistent with the purposes and
22		objectives of	this part."]

1	SECT	ION 19. Section 201B-8, Hawaii Revised Statutes, is
2	repealed.	
3	[ <del>" [S</del>	201B-8] - Convention center enterprise special fund.
4	(a)—Ther	e is established the convention center enterprise
5	<del>special f</del>	und, into which shall be deposited:
6	<del>(1)</del>	A portion of the revenues from the transient
7	•	accommodations tax, as provided by section 237D-6.5;
8	<del>(2)</del>	All revenues or moneys derived from the operations of
9		the convention center to include all revenues from the
10		food and beverage service, all revenues from the
11		parking facilities or from any concession, and all
12		revenues from the sale of souvenirs, logo items, or
13		any other items offered for purchase at the convention
14		center;
15	<del>(3)</del>	Private contributions, interest, compensation, gross
16		or net revenues, proceeds, or other moneys derived
17		from any source or for any purpose arising from the
18		use of the convention center facility; and
19	(4)	Appropriations by the legislature, including any
20		transfers from the tourism special fund established
21		under section 2018-11 for marketing the facility
22		pursuant to section 201B-7(a)(7).

1	(b) Moneys in the convention center enterprise special
2	fund shall be used by the authority for the payment of any and
3	all debt service relating to the convention center, any expense
4	arising from any and all use, operation, maintenance,
5	alteration, improvement, or any unforeseen or unplanned repairs
6	of the convention center, including without limitation the food
7	and beverage service and parking service provided at the
8	convention center facility, the sale of souvenirs, logo items,
9	or other items, for any future major repair, maintenance, and
10	improvement of the convention center facility as a commercial
11	enterprise or as a world class facility for conventions,
12	entertainment, or public events, and for marketing the facility
13	pursuant to section 201B-7(a)(7).
14	(c) Moneys in the convention center enterprise special
15	fund may be:
16	(1) Placed in interest-bearing accounts; provided that the
17	depository in which the money is deposited furnishes security as
18	provided in section 38-3; or
19	(2) Otherwise invested by the authority until such time as
20	the moneys may be needed; provided that the authority shall
21	limit its investments to those listed in section 36-21.

1	All inter	est accruing from investment of the moneys shall be
2	credited	to the convention center enterprise special fund."]
3	SECT	TON 20. Section 201B-11, Hawaii Revised Statutes, is
4	repealed.	
5	[ <b>p</b>	ART II. TOURISM SPECIAL FUND; EXEMPTIONS; REPORTS
6	<del>§201</del>	B-11 Tourism special fund. (a) [Repeal and
7	reenactme	ent on June 30, 2010. L 2006, c 306, §1. There is
8	establish	ed the tourism special fund, into which shall be
9	deposited	<b>++</b>
10	(1)	A portion of the revenues from any transient
11		accommodations tax, as provided by section 237D-6.5;
12	(2)	Appropriations by the legislature to the tourism
13		special fund;
14	(3)	Gifts, grants, and other funds accepted by the
15		authority; and
16	(4)	All interest and revenues or receipts derived by the
17		authority from any project or project agreements.
18	<del>(b)</del>	Moneys in the tourism special fund may be:
19	<del>(1)</del>	Placed in interest bearing accounts; provided that the
20		depository in which the money is deposited furnishes
21		security as provided in section 38-3; or

1	<del>(2)</del>	Otherwise invested by the authority until such time as
2		the moneys may be needed; provided that the authority
3		shall limit its investments to those listed in section
4		<del>36 21.</del>
5	All inter	est accruing from the investment of these moneys shall
6	be credit	ed to the tourism special fund.
7	<del>(c)</del>	Repeal and reenactment on June 30, 2010. L 2006, c
8	<del>306, §1.</del>	Moneys in the tourism special fund shall be used by
9	the author	rity for the purposes of this chapter; provided that:
10	<del>(1)</del>	Not more than five per cent of this amount shall be
11		used for administrative expenses, including \$15,000
12		for a protocol fund to be expended at the discretion
13		of the executive director; and
14	<del>(2)</del>	At least \$1,000,000 shall be made available to support
15		efforts to manage, improve, and protect Hawaii's
16		natural environment and areas frequented by visitors.
17	т]	
18	SECT	ION 21. Section 231-3.2, Hawaii Revised Statutes, is
19	repealed.	
20	["[\$:	231-3.2] Integrated tax information management systems
21	special f	und. (a) There is established in the state treasury
22	the integ	rated tax information management systems special fund
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- 1 into which shall be deposited general excise tax revenues as 2 provided by section 237-31. The director of taxation may retain 3 and deposit the amounts necessary to meet the obligations of the 4 integrated tax information management systems performance based 5 contract. The amounts transferred by the director of taxation 6 to the integrated tax information management systems special 7 fund for a fiscal year shall be limited to the amounts 8 appropriated by the legislature. 9 (b) Moneys in the fund shall be expended by the department 10 to pay for the integrated tax information management systems 11 performance based contracts authorized by Act 273, Session Laws 12 of Hawaii 1996. 13 (c) The department shall submit an annual report to the 14 legislature no later than twenty days prior to the convening of 15 each regular session, providing an accounting of the receipts 16 of, and expenditures from, the fund. 17 (d) This section shall be repealed on July 1, 2005."] 18 SECTION 22. Section 245-41.5, Hawaii Revised Statutes, is 19 repealed. 20 [#[8245-41.5] Cigarette tax stamp administrative special 21 fund. (a) There is established in the state treasury the 22 cigarette tax stamp administrative special fund, into which
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- 1 shall be deposited the allocated portion of the stamp fee 2 designated to pay for the cost to the State of providing the 3 stamps as provided by section 245-26. 4 (b) Moneys in the cigarette tax stamp administrative 5 special fund shall be administered by the department of taxation and shall be used: 6 7 (1) To provide the stamps and administer the cigarette tax 8 stamp provisions as provided in chapter 245; and (2) For any other requirements deemed necessary to carry 9 10 out the purposes of chapter 245."] 11 SECTION 23. Section 264-19, Hawaii Revised Statutes, is 12 repealed. 13 [#[\$264-19] Transportation improvement special fund. (a) 14 There is created within the state treasury the transportation 15 improvement special fund to fund qualified transportation projects and to receive reimbursements from private developers 16 17 who have been advanced public funds to fulfill the conditions of 18 land use development relating to transportation. 19 The director may expend from the special fund such sums as 20 are necessary to advance transportation projects, including 21 administrative expenses, to the extent permissible:
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(1) When such projects:

22

ı	<del>-(A</del>	Have been identified in or are consistent with
2		the statewide transportation plan adopted
3		pursuant to chapter 279A; and
4	<del>(B</del>	) Satisfy all applicable federal and state
5		eligibility requirements; or
6	<del>(2)</del> Wh	en the director determines that funds previously
7	au	thorized for the aforementioned projects are
8	<del>in</del>	adequate or any delay in the completion of such
9	pr	ojects would unnecessarily increase their cost or
10	in	tensify undesirable transportation conditions.
11	<del>(b) Ex</del>	penditures from the special fund shall be made on
12	<del>vouchers app</del>	roved by the director or such other officer as may
13	<del>be designate</del>	d by the director.
14	<del>(e) Th</del>	ere shall be credited to the special fund all
15	reimbursemen	ts and any interest earned or penalty accrued on
16	<del>late payment</del>	s thereon received from developers who have been
17	<del>advanced pub</del>	lic funds to fulfill the conditions of land use
18	development	relating to transportation or other transportation
19	requirements	imposed upon such developers.
20	<del>(d) Ex</del>	penditures from the special fund may not be made by
21	the director	without appropriation by the legislature. No
22	<del>expenditure</del>	shall be made from, and no obligation shall be
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- 1 incurred against, the special fund in excess of the amount 2 standing to the credit of the special fund or for any purpose 3 for which moneys from the special fund may not lawfully be 4 expended. 5 (e) The department of transportation shall prepare and 6 submit an annual report to the legislature on the use of the 7 transportation improvement special fund which shall include, but 8 not be limited to: 9 (1) The [special] fund balance and the expenses made from 10 the [special] fund for the immediately preceding 11 fiscal year; and 12 (2) Proposed appropriations from the [special] fund for 13 the next fiscal year. 14 This report shall be submitted to the legislature no later 15 than twenty days prior to the convening of each legislative 16 session. 17 (f) The director may adopt rules pursuant to chapter 91 18 necessary to effectuate the purposes of, and to administer, this 19 section. 20 (q) As used in this section: 21 "Director" means the director of transportation.
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1
         "Special fund" means the transportation improvement special
2
    fund-"]
         SECTION 24. Section 268-2.6, Hawaii Revised Statutes, is
3
4
    repealed.
5
         [#[$268-2.6] Ferry project special fund.] There is
6
    established in the state treasury the ferry project special
    fund, into which shall be deposited revenues collected by the
7
8
    operators of the intra-island water ferry transportation system.
9
    Moneys in the ferry project special fund shall be used to offset
10
    costs incurred by the intra-island water ferry transportation
11
    system or demonstration project, or both; provided that no
12
    expenditure shall be made from, and no obligation shall be
13
    incurred against the fund in excess of its deposits. Moneys in
14
    the fund shall be expended by the department of
15
    transportation."]
16
         SECTION 25. Section 302A-1504.5, Hawaii Revised Statutes,
17
    is repealed.
18
         ["[$302A-1504.5] School-level minor repairs and
19
    maintenance special fund. There is established within the state
    treasury a special fund to be known as the school-level minor
20
21
    repairs and maintenance special fund, into which shall be
22
    deposited all moneys collected pursuant to section 235-102.5(b),
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- 1 and any other moneys received by the department in the form of 2 grants and donations for school level minor repairs and 3 maintenance. The special fund shall be administered by the 4 department and used to fund school level minor repairs and 5 maintenance." 6 SECTION 26. Section 321-1.3, Hawaii Revised Statutes, is 7 repealed. ["[\$321-1.3] Domestic violence and sexual assault special 8 9 fund. (a) There is established within the state treasury a 10 special fund to be known as the domestic violence and sexual 11 assault special fund to be administered and expended by the 12 department of health. 13 (b) The moneys in the special fund shall be reserved for 14 use by the department of health for programs and grants or 15 purchases of service consistent with chapter 42D that support or 16 provide domestic violence and sexual assault intervention or 17 prevention as authorized by law. Moneys in the special fund 18 shall be used for new or existing programs and shall not 19 supplant any other moneys previously allocated to these 20 programs. 21 (c) Fees remitted pursuant to section 338-14.5, income tax 22 remittances allocated under section 235-102.5, interest and
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1 investment carnings attributable to the moneys in the special 2 fund, and grants, donations, and contributions from private or 3 public sources for the purposes of the fund, shall be deposited 4 into the special fund. 5 (d) The department of health shall submit an annual report 6 to the legislature no later than twenty days prior to the 7 convening of each regular session providing the following: 8 (1) An accounting of the receipts of, and expenditures 9 from, the special fund; and 10 Recommendations on how to improve services for victims +(2)11 of domestic violence and sexual assault. "] 12 SECTION 27. Section 321-1.4, Hawaii Revised Statutes, is 13 repealed. 14 ["[\$321-1.4] - Hospital and medical facilities special fund; 15 deposits; expenditures. (a) There is established within the 16 department of health, to be administered by the department of 17 health, the hospital and medical facilities special fund into 18 which shall be deposited all moneys collected under section 321-19 11.5(b). 20 (b) Moneys in the special fund shall be expended by the 21 department:

1	(1)	<del>To a</del>	ssist in offsetting educational program expenses
2		of t	he department's hospital and medical facilities
3		bran	<del>ch; and</del>
4	<del>(2)</del>	<del>For</del>	the purpose of enhancing the capacity of hospital
5		and	medical facilities programs to:
6		<del>(A)</del>	Improve public outreach efforts and consultations
7			to industries regulated; and
8		<del>(B)</del>	Educate the public, the staff of the department
9			of health, hospitals, nursing homes, and care
10			homes, and industries regulated.
11	Not more t	han i	\$230,000 of the special fund may be used during
12	any fiscal	. yea:	r for education.
13	<del>(e)</del>	Any (	amount in the special fund in excess of \$356,000
14	on June 30	of (	each year shall be deposited into the general
15	fund.		
16	<del>(d)</del>	The (	department of health shall submit a report to the
17	legislatur	e cor	ncerning the status of the special fund, including
18	the amount	<del>of r</del>	moneys deposited into and expended from the
19	special fu	nd, a	and the sources of receipts and uses of
20	expenditur	es, i	no later than twenty days prior to the convening
21	of each re	gulai	r session."

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1
         SECTION 28. Section 321-432, Hawaii Revised Statutes, is
2
    repealed.
3
         ["[$321-432] Public health nursing services special fund.
4
    (a) There is established within the state treasury a special
5
    fund to be known as the public health nursing services special
6
    fund. The special fund shall be administered and expended by
7
    the department of health in accordance with this section.
8
         (b) The department shall expend the special funds to
    provide ongoing case management services and to provide staff
9
10
    training in case management services in collaboration with the
11
    department of human services' medicaid early and periodic
12
    screening, diagnosis, and treatment program, including but not
13
    limited to:
14
         (1) Assessment of children who are medically fragile to
15
              determine service needs;
16
         (2) Development of a specific care plan;
17
         (3) Referral for and linkages to services to implement the
18
              specific care plan; and
19
         (4) Monitoring and follow-up.
20
         (c) The special fund shall consist of medicaid
21
    reimbursements received by the department for case management
22
    services provided to families of medically fragile children."]
```

1	SECTION 29. Section 321-426, Hawaii Revised Statutes, is			
2	repealed.			
3	[#[\$321-426] Birth defects special fund. There is			
4	established within the state treasury the birth defects special			
5	fund to be administered and expended by the department of			
6	health, into which shall be deposited fees remitted pursuant to			
7	section 572-5. Moneys in the special fund shall be used for the			
8	payment of the operating expenses of the birth defects			
9	program."]			
10	SECTION 30. Section 321H-4, Hawaii Revised Statutes, is			
11	repealed.			
12	["[\$321H-4] - Neurotrauma special fund. (a) There is			
13	established the neurotrauma special fund to be administered by			
14	the department with advisory recommendations from the			
15	neurotrauma advisory board. The fund shall consist of:			
16	(1) Moneys raised pursuant to the surcharges levied under			
17	sections 291 11.5, 291 11.6, 291C-12, 291C-12.5, 291C-			
18	12.6, 291C-102, 291C-105, and 291E-61;			
19	(2) Federal funds granted by Congress or executive order,			
20	for the purpose of this chapter; provided that the			
21	acceptance and use of federal funds shall not commit			
22	state funds for services and shall not place an			

1		obligation upon the legislature to continue the
2		purpose for which the federal funds are made
3		available; and
4	(3)	Funds appropriated by the legislature for the purpose
5		of this chapter.
6	<del>(b)</del>	The fund shall be used for the purpose of funding and
7	contracti	ng for services relating to neurotrauma as follows:
8	(1)	Education on neurotrauma;
9	(2)	Assistance to individuals and families to identify and
10		obtain access to services;
11	<del>(3)</del>	Creation of a registry of neurotrauma injuries within
12		the State to identify incidence, prevalence,
13		individual needs, and related information; and
14	(4)	Necessary administrative expenses to carry out this
15		chapter not to exceed two per cent of the total amount
16		collected.
17	<del>(e)</del>	Moneys in the neurotrauma special fund may be
18	appropria	ted to obtain federal and private grant matching funds,
19	<del>subject to</del>	o section 321H 4(a)(2).
20	<del>(d)</del>	In administering the fund, the director shall maintain
21	records of	f all expenditures and disbursements made from the
22	neurotrau	na special fund.



47

```
1
         (e) The director shall submit to the legislature an annual
2
    report on the activities under the neurotrauma special fund no
3
    later than twenty days prior to the convening of each regular
4
    session."]
5
         SECTION 31. Section 323D-12.6, Hawaii Revised Statutes, is
6
    repealed.
7
         [#[$323D-12.6] — State health planning and development
8
    special fund; created; deposits; expenditures; fees. (a) There
    is established within the state treasury, to be administered by
9
10
    the state health planning and development agency, the state
11
    health planning and development special fund into which shall be
12
    deposited all moneys collected under chapter 323D.
13
         (b) Moneys in the special fund shall be expended by the
14
    state health planning and development agency to assist in
15
    offsetting program expenses of the agency.
16
         (c) The agency shall adopt rules in accordance with
17
    chapter 91 to establish reasonable fees for the purposes of this
18
    chapter."]
19
         SECTION 32. Section 338-14.6, Hawaii Revised Statutes, is
20
    repealed.
21
         [#[$338-14.6] Vital statistics improvement special fund.
22
    (a) There is established within the state treasury a special
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- 1 fund to be known as the vital statistics improvement special 2 fund. The fund shall be administered and expended by the 3 department of health. 4 (b) Moneys in the fund shall be used by the department of 5 health for the modernization and automation of the vital 6 statistics system in this State. These proceeds shall not be 7 used to supplant any other moneys previously allocated to this 8 program necessary for the daily operation of the system of vital 9 statistics. 10 (c) The fund shall consist of fees remitted pursuant to section 338-14.5. All realizations of the fund shall be subject 11 12 to the conditions specified in subsection (b)."] 13 SECTION 33. Section 340B-3.5, Hawaii Revised Statutes, is 14 repealed. 15 [#[\$340B-3.5] - Wastewater treatment certification board 16 special fund. (a) There is established in the state treasury a 17 special fund to be known as the wastewater treatment 18 certification board special fund. The following moneys 19 collected by the board shall be deposited into the special fund: 20 (1) Registration fees for examinations; 21 (2) Renewal fees; 22 (3) Reciprocity fees; and
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1
         (4) Temporary certificates fees.
2
    All interest earned or accrued on moneys deposited into the
    special fund shall become a part of the special fund.
3
4
         (b) All moneys paid into the special fund shall be
5
    expended by the board to finance its operations."]
6
         SECTION 34. Section 342G-104, Hawaii Revised Statutes, is
7
    repealed.
8
         ["[$342G-104] - Deposit into deposit beverage container
9
    deposit special fund; use of funds. (a) There is established
10
    in the state treasury the deposit beverage container deposit
11
    special fund, into which shall be deposited:
12
         (1) All revenues generated from the deposit beverage
              container fee as described under sections 342C-102 and
13
14
              342C-105;
15
         (2) All revenues generated from the deposit beverage
16
              container deposit as described under sections 342C 105
17
              and 342G 110; and
18
         (3) All accrued interest from the fund.
19
         (b) [Repeal and reenactment on June 30, 2009. L 2006, c
20
    231, §2. Moneys in the deposit beverage container deposit
21
    special fund shall be used to reimburse refund values, pay
22
    handling fees to redemption centers, fund the reverse vending
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1	machine r	ebate program under section 342G-102.5, and fund the			
2	redemptic	n center and recycling infrastructure improvement			
3	program established pursuant to section 342G 114.5. The				
4	departmen	t may also use the money to:			
5	<del>(1)</del>	Fund administrative, audit, and compliance activities			
6		associated with collection and payment of the deposits			
7		and handling fees of the deposit beverage container			
8		program;			
9	<del>(2)</del>	Conduct recycling education and demonstration			
10		<del>projects;</del>			
11	(3)	Promote recyclable market development activities;			
12	(4)	Support the handling and transportation of the deposit			
13		beverage containers to end-markets;			
14	<del>(5)</del>	Hire personnel to oversee the implementation of the			
15		deposit beverage container program, including			
16		permitting and enforcement activities; and			
17	<del>(6)</del>	Fund associated office expenses.			
18	<del>(e)</del>	Any funds that accumulate in the deposit beverage			
19	<del>container</del>	deposit special fund shall be retained in the fund			
20	<del>unless de</del>	termined by the auditor to be in excess, after			
21	adjustmen	ts to the deposit beverage fee, pursuant to the			

1 management and financial audits conducted in accordance with 2 section 342G-107."] SECTION 35. Section 342P-7, Hawaii Revised Statutes, is 3 4 repealed. 5 ["[\$342P-7] Noise, radiation, and indoor air quality 6 special fund; established. (a) There is established within the department of health a noise, radiation, and indoor air quality 7 8 special fund into which shall be deposited all moneys collected 9 from fees for permits, licenses, inspections, certificates, 10 notifications, variances, investigations, and review, pursuant 11 to sections 342F-14, 342P-28, 466J-4, and 466J-5. 12 (b) Moneys in the fund shall be expended by the department 13 to: 14 (1) Partially fund the operating costs of the program 15 mandated activities and functions; 16 (2) Fund statewide education, demonstration, and outreach 17 programs; 18 (3) Provide training opportunities to ensure the 19 maintenance of professional competence among staff and 20 administrators; and 21 (4) Plan for future growth and expansion to meet emerging 22 needs."]

1	SECT	ION 36. Section 342P-8, Hawaii Revised Statutes, is
2	repealed.	
3	[π[ <b>&amp;</b>	342P-8] Asbestos and lead abatement special fund.]
4	<del>(a) Ther</del>	e is established within the department of health an
5	<del>asbestos</del>	and lead abatement special fund into which shall be
6	deposited	all moneys collected from fees for permits, licenses,
7	inspection	ns, certificates, notifications, variances,
8	<del>investiga</del>	tions, and reviews.
9	<del>(b)</del>	Moneys in the asbestos and lead abatement special fund
10	shall be	expended by the department to:
11	(1)	Partially fund the operating costs of the asbestos and
12		lead abatement program's mandated activities and
13		functions;
14	<del>(2)</del>	Fund statewide education, demonstration, and outreach
15		<del>programs;</del>
16	<del>(3)</del>	Provide for the accreditation of training programs;
17	(4)	Provide training opportunities to ensure the
18		maintenance of professional competence among staff and
19		administrators; and
20	<del>(5)</del>	Plan for future growth and expansion to meet emerging
21		needs."]

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1	SECT	ION 37. Section 346-318, Hawaii Revised Statutes, is
2	repealed.	
3	[#[\$	346-318] Rx plus special fund. (a) There is
4	establish	ed within the state treasury, to be administered by the
5	departmen	t, the Rx plus special fund into which shall be
6	deposited	÷
7	(1)	All moneys received from manufacturers and labelers
8		who pay rebates as provided in section 346-314;
9	<del>(2)</del>	Appropriations made by the legislature to the fund;
10		<del>and</del>
11	<del>(3)</del>	Any other revenues designated for the fund.
12	<del>(b)</del>	Moneys in the Rx plus special fund shall be used for
13	the follo	wing purposes:
14	(1)	Reimbursement payments to participating pharmacies for
15		discounts provided to program participants;
16	<del>(2)</del>	The cost of administering the Rx plus program,
17		including salary and benefits of employees, computer
18		costs, and contracted services as provided in section
19		<del>346 312; and</del>
20	<del>(3)</del>	Any other purpose deemed necessary by the department
21		for the purpose of operating and administering the Rx
22		plus program.



```
1
         All interest on special fund balances shall accrue to the
2
    special fund. Upon dissolution of the Rx plus special fund, any
3
    unencumbered moneys in the fund shall lapse to the credit of the
4
    general fund."]
5
         SECTION 38. Section 348F-7, Hawaii Revised Statutes, is
6
    repealed.
7
         ["[$348F-7] - Disability and communication access board
8
    special fund. (a) There is established the disability and
9
    communication access board special fund to be administered by
10
    the disability and communication access board. All moneys
    received by the disability and communication access board as
11
12
    application fees for credentialing of interpreters shall be
13
    deposited into the special fund. All interest earned or accrued
    on moneys deposited into this special fund shall become part of
14
15
    the special fund.
16
         (b) Moneys in the disability and communication access
17
    board special fund shall be expended to cover all costs of
18
    administering this chapter including the costs of administering
19
    the program for the state credentialing of interpreters."]
20
         SECTION 39. Section 431:10G-107, Hawaii Revised Statutes,
21
    is repealed.
```

```
1
         ["[$431:10G-107] Drivers education fund underwriters fee;
2
    motorcycle and motor scooter operators education fund. (a) The
3
    commissioner shall assess and levy upon each insurer, and self-
4
    insurer, a drivers education fund underwriters fee of $2 a year
5
    on each motorcycle or motor scooter insured by each insurer or
6
    self insurer. This fee shall be due and payable on an annual
7
    basis by means and at a time to be determined by the
8
    commissioner.
9
         (b) There is created in the treasury of the State a
10
    special fund to be known as the motorcycle and motor scooter
11
    operators education fund. The commissioner shall deposit the
12
    fees collected under this section into the motorcycle and motor
13
    scooter operators education fund.
14
         (c) The fees deposited for each fiscal year into the
15
    motorcycle and motor scooter operators education fund, when
16
    appropriated, shall be available to the department of
17
    transportation for the administration of a drivers education
18
    program for operators of motorcycles or motor scooters. The
19
    department of transportation may spend the amount collected from
20
    these fees for the purposes of this section."]
21
         SECTION 40. Section 431:19-101.8, Hawaii Revised Statutes,
22
    is repealed.
```

1	["[\$431:19-101.8] - Captive insurance administrative fund.
2	(a) The commissioner may establish a separate fund designated
3	as the captive insurance administrative fund to be expended by
4	the commissioner to carry out the commissioner's duties and
5	obligations under article 19 of chapter 431.
6	(b) All moneys collected pursuant to this article,
7	including premium taxes from captive insurance companies
8	licensed in this State under this article, all captive insurance
9	company application fees, annual license fees, and examination
10	fees, shall be credited to the captive insurance administrative
11	<del>fund.</del>
12	(c) Up to ten per cent of the total moneys credited to the
13	fund in the prior fiscal year may be used for purposes of
14	promoting Hawaii as a captive insurance domicile. Disbursements
15	for promotional activities from the fund shall be subject to the
16	approval of the director of commerce and consumer affairs.
17	(d) Sums from the fund expended by the commissioner shall
18	be used to defray any administrative costs, including personnel
19	costs, associated with the captive programs of the division, and
20	costs incurred by supporting offices, branches, divisions, and
21	departments. Any law to the contrary notwithstanding, the
22	commissioner may use the moneys in the fund to employ or retain,

1 by contract or otherwise, without regard to chapter 76, hearings 2 officers, attorneys, investigators, accountants, examiners, and 3 other necessary professional, technical, and support personnel 4 to implement and carry out the purposes of article 19 of chapter 5 431; provided that any position, except any attorney position, 6 that is subject to chapter 76 prior to July 1, 1999, shall 7 remain subject to chapter 76. 8 (e) Moneys deposited by the commissioner in the fund shall 9 not revert to the general fund."] 10 SECTION 41. Section 431:22-102, Hawaii Revised Statutes, 11 is repealed. 12 ["[\$431:22-102] Loss mitigation grant fund. (a) There is established a special fund to be designated as the loss 13 14 mitigation grant fund. Moneys transferred to the loss 15 mitigation grant fund may be expended by the commissioner to 16 carry out the commissioner's duties and obligations under this 17 article. Disbursements from the loss mitigation grant fund 18 shall not be subject to chapter 42F or 91. 19 (b) The loss mitigation grant fund may be used by the 20 commissioner to make loss mitigation grants authorized under 21 this article. The loss mitigation grant fund shall also be used

by the commissioner to pay for any administrative and

22

1 operational costs, including personnel costs and marketing 2 costs, associated with a loss mitigation grant program. Any law 3 to the contrary notwithstanding, the commissioner may use the 4 moneys in the loss mitigation grant fund to employ or retain, by 5 contract or otherwise, without regard to chapters 76 and 78, 6 necessary professional, expert, managerial, technical, and 7 support personnel to implement and carry out the purposes of 8 this article. 9 (c) The commissioner shall prepare an annual report to the 10 director, governor, and the legislature on the use of the loss 11 mitigation grant fund. The report shall provide statistical 12 information on program participation. The report shall be 13 submitted to the legislature no later than twenty days prior to 14 the convening of each regular legislative session."] 15 SECTION 42. Section 448B-10, Hawaii Revised Statutes, is 16 repealed. 17 [#[\$448B-10] - Dietitian licensure special fund. There is 18 established in the state treasury a special fund to be known as 19 the dictitian licensure special fund to be administered by the 20 department. Fees collected under section 448B 9 shall be 21 deposited in the dietitian licensure special fund and may be

1	expended for the costs associated with administering the
2	licensure program, including but not limited to education."]
3	SECTION 43. Section 502-8, Hawaii Revised Statutes, is
4	repealed.
5	["[\$502-8] Bureau of conveyances special fund. (a) There
6	is established in the state treasury the bureau of conveyances
7	special fund, into which shall be deposited the revenues
8	remitted pursuant to sections 501-23.5 and 502-25, interest
9	earnings, grants, donations, and appropriations from the
10	legislature that shall be held separate and apart from all other
11	moneys, funds, and accounts in the state treasury.
12	(b) Moneys in the bureau of conveyances special fund shall
13	be used by the bureau of conveyances for the following purposes:
14	(1) Planning, design, construction, and acquisition of
15	equipment, furnishings, and software necessary for the
16	development of the recording system described in this
17	chapter and chapter 501;
18	(2) Operating, maintaining, and improving the recording
19	system described in this chapter and chapter 501 or
20	any other purpose deemed necessary by the bureau of
21	conveyances for the purpose of planning, improving,

1	developing, operating, and maintaining the recording
2	system described in this chapter and chapter 501;
3	(3) Permanent and temporary staff positions for the
4	purposes of this chapter and chapter 501; and
5	(4) Administrative costs for the purposes of this chapter
6	and chapter 501.
7	(c) All moneys in excess of \$500,000 remaining on balance
8	in the bureau of conveyances special fund on June 30 of each
9	year shall lapse to the credit of the state general fund. On
10	July 1 of each year, the director of finance is authorized to
11	transfer any excess funds in the bureau of conveyances special
12	fund to the state general fund."]
13	SECTION 44. Section 706-649, Hawaii Revised Statutes, is
14	repealed.
15	[#[\$706-649] Probation services special fund. (1) There
16	is established in the state treasury a special fund to be known
17	as the probation services special fund. All probation services
18	fees collected under section 706-648 shall be deposited into
19	this fund.
20	(2) Moneys in the probation services special fund shall be
21	used by the judiciary to monitor, enforce, and collect fees,

```
1
    fines, restitution, other monetary obligations owed by
2
    defendants, and other terms and conditions of probation."]
3
                                 PART III
4
         SECTION 45.
                      The purpose of this part is to repeal certain
5
    special funds following the recommendations of the auditor.
6
         SECTION 46. Section 36-32, Hawaii Revised Statutes, is
7
    repealed.
8
         ["[§36-32] State educational facilities improvement
9
    special fund. (a) There is created in the treasury of the
10
    State the state educational facilities improvement special fund,
    into which shall be deposited a portion of all general excise
11
12
    tax revenues collected by the department of taxation under
13
    section 237-31. The special fund shall be used solely to plan,
14
    design, acquire lands for and to construct public school
15
    facilities and to provide equipment and technology
16
    infrastructure to improve public schools and other facilities
17
    under the jurisdiction of the department of education, except
18
    public libraries. In addition, activities of the department of
19
    education intended to eliminate the gap between the facility
20
    needs of schools and available resources shall be eligible for
21
    funding from the special fund. Expenditures from the special
22
    fund shall be limited to projects authorized by the legislature
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1
    and shall be subject to sections 37-31, and 37-33 through 37-40.
2
    Appropriations or authorizations from the special fund shall be
3
    expended by the superintendent of education.
4
         (b) The department of education shall submit an annual
5
    report to the legislature that shall include a financial
6
    statement of the special fund and the status of projects
7
    undertaken pursuant to this section, no later than twenty days
8
    prior to the convening of each regular session."]
9
         SECTION 47. Section 103-8.5, Hawaii Revised Statutes, is
10
    repealed.
11
         [*[$103-8.5] Works of art special fund. (a) There is
12
    created a works of art special fund, into which shall be
13
    transferred one per cent of all state fund appropriations for
14
    capital improvements designated for the construction cost
15
    element; provided that this transfer shall apply only to capital
16
    improvement appropriations that are designated for the
17
    construction or renovation of state buildings. The one per cent
18
    transfer requirement shall not apply to appropriations from the
19
    passenger facility charge special fund established by section
20
    261 - 5.5.
21
         (b) The works of art special fund shall be used solely for
22
    the following purposes:
```



1	<del>(1)</del>	Costs related to the acquisition of works of art,
2		including any consultant or staff services required to
3		carry out the art in public places and relocatable
4		works of art programs;
5	(2)	Site modifications, display, and interpretive work
6		necessary for the exhibition of works of art;
7	(3)	Upkeep services, including maintenance, repair, and
8		restoration of works of art;
9	-(4)	Storing and transporting works of art.
10	<del>(c)</del>	The one per cent amount, which is included in all
11	<del>capital i</del>	mprovement appropriations, shall be calculated at the
12	time the	appropriation bills are signed into law. The moneys
13	shall be	transferred into the works of art special fund upon
14	availabil:	ity of moneys from the appropriations. Each agency
15	receiving	capital improvement appropriations shall calculate the
16	one per co	ent amount and transfer the moneys into the works of
17	art specia	al fund.
18	<del>(d)</del>	The comptroller and the state foundation on culture
19	and the a	rts shall decide on the specific art objects to
20	acquire,	giving first consideration to placing appropriate
21	<del>pieces of</del>	art at the locations of the original appropriation.



1	The selection of, commissioning artists for, reviewing of
2	design, execution, and placement of, and the acceptance of works
3	of art shall be the responsibility of the comptroller and the
4	state foundation on culture and the arts in consultation with
5	the affected agency or department.
6	Expenditures from the works of art special fund shall be
7	made by the comptroller.
8	(e) The comptroller shall:
9	(1) Provide each agency receiving capital improvement
10	appropriations with information regarding items that
11	shall be included and excluded from the one per cent
12	amount;
13	(2) Ensure that each agency calculates its one per cent
14	amount correctly; and
15	(3) Ensure that each agency transfers the correct amount
16	to the works of art special fund in a timely manner.
17	(f) The comptroller and the executive director shall track
18	amounts due from each agency under the one per cent requirement
19	as provided in this section."]
20	SECTION 48. Section 166-10, Hawaii Revised Statutes, is
21	repealed.

1	[#[\$166-10] Agricultural park special fund. (a) There is		
2	created in the state treasury a special fund to be designated as		
3	the agricultural park special fund. The proceeds in the fund		
4	shall be used for the following purposes:		
5	(1)	Payment of agricultural park lease rents of privately	
6		owned lands under lease to the State pursuant to	
7		sections 171 112 and 166 3;	
8	<del>(2)</del>	Establishing, operating, maintaining, and improving	
9		infrastructure improvements in agricultural parks	
10		designated by the department pursuant to section 166	
11		3; and	
12	(3)	Any other purposes deemed necessary by the department	
13		for the purpose of maintaining and operating those	
14		agricultural parks and related facilities designated	
15		by the department pursuant to section 166-3.	
16	For the purpose of paragraph (2), infrastructure		
17	improvements may include, but shall not be limited to:		
18	irrigation water system projects, wind power or hydro power and		
19	pumping systems, waste disposal systems, domestic water systems,		
20	roads, street lights, land and roads drainage, and bridges.		
21	(b) Moneys appropriated for the purpose of the fund; any		
22	other provision of the law to the contrary notwithstanding, all		
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1
    moneys received or collected from an agricultural park project
2
    designated pursuant to section 166-3, including residential and
3
    agricultural lot lease rents; and all money collected or
4
    received by the department for the use and maintenance of
5
    domestic and irrigation water systems within an agricultural
6
    park and other systems enumerated in subsection (a) shall be
7
    deposited into the agricultural park special fund. All interest
8
    earned or accrued on moneys deposited in the fund shall become a
9
    part of the fund. Moneys in the fund shall be expended upon
10
    warrants drawn by the comptroller."]
11
         SECTION 49. Section 206J-17, Hawaii Revised Statutes, is
12
    repealed.
13
         [*[$206J-17] Aloha Tower fund. (a) There is created the
14
    Aloha Tower fund. All:
15
         (1) Moneys;
16
         (2) Rentals;
17
         (3) Charges;
18
         (4) Other revenues of the development corporation; and
19
         (5) Moneys or charges received by the department of
20
              business, economic development, and tourism;
21
    including reimbursements for costs and staff services as a
22
    result of planning, development, or redevelopment of the lands
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1 located seaward of Nimitz Highway between Pier 4 and the 2 Honolulu International Airport shall be deposited into the fund. 3 (b) The development corporation may establish a separate 4 account with respect to each issue of bonds issued under this 5 chapter and direct that the moneys, rentals, charges, and other 6 revenues pledged to the payment of the bond issue be credited to that account and, as permitted by section 206J-12(g)(7), 7 8 designate a trustee to receive and receipt for, hold, and 9 administer the moneys in the account. Moneys credited to a 10 separate account held by a trustee may be paid directly to the 11 trustee; provided that appropriate entries are made for purposes 12 of accounting. 13 (c) The moneys on deposit in the fund shall be used for 14 the purposes of this chapter and for the development, 15 redevelopment, or improvement of the Honolulu Waterfront located 16 seaward of Nimitz Highway between Pier 4 and the Honolulu 17 International Airport."] 18 SECTION 50. Section 206M-15.5, Hawaii Revised Statutes, is 19 repealed. 20 ["[\$206M-15.5] High technology special fund. There is 21 established in the state treasury a fund to be known as the high 22 technology special fund, into which shall be deposited, except

```
1
    as otherwise provided by section 206M-17, all moneys, fees, and
 2
    equity from tenants, qualified persons, or other users of the
3
    development corporation's industrial parks, projects, other
4
    leased facilities, and other services and publications; provided
5
    that the total amount of moneys in the fund shall not exceed
6
    $3,000,000 at the end of any fiscal year. All moneys in the
7
    fund are appropriated for the purposes of and shall be expended
8
    by the development corporation for the operation, maintenance,
9
    and management of its industrial parks, projects, facilities,
10
    services, and publications, and to pay the expenses in
11
    administering the special purpose revenue bonds of the
12
    development corporation or in carrying out its project
13
    agreements."]
14
         SECTION 51. Section 227D-5, Hawaii Revised Statutes, is
15
    repealed.
16
         ["[$227D-5] Special fund. There is established in the
    state treasury a fund to be known as the natural energy
17
18
    laboratory of Hawaii authority special fund, into which shall be
19
    deposited all moneys and fees from tenants or other users of the
20
    authority's parks, projects, other leased facilities, and other
21
    services and publications as well as any grants or gifts
22
    received by the authority. All moneys in the fund are
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1 appropriated for the purposes of and shall be expended by the 2 authority for the operation, maintenance, and management of its 3 parks, projects, facilities, services, and publications, and for 4 the design and construction of new facilities and the renovation 5 of or addition to existing facilities."] 6 SECTION 52. Section 302A-1310, Hawaii Revised Statutes, is 7 repealed. 8 ["[§302A-1310] - Out-of-school time instructional programs; 9 funds, expenditures. All moneys received by and for the public 10 out of school time instructional programs from tuition and other 11 fees or from any other source shall be deposited in a special 12 out-of-school time instructional program fund; and except as 13 otherwise provided by the legislature, all expenditures for the 14 operation of public out of school time instructional programs 15 shall be made from this fund."] 16 SECTION 53. Section 328L-3, Hawaii Revised Statutes, is 17 repealed. 18 ["[\$328L-3] Emergency and budget reserve fund. (a) There 19 is established in the state treasury the emergency and budget 20 reserve fund which shall be a special fund administered by the 21 director of finance, into which shall be deposited:

```
1
         (1) Twenty four and one-half per cent of the moneys
2
              received from the tobacco settlement moneys under
3
              section 328L-2(b)(1);
4
              Appropriations made by the legislature to the fund.
5
         (b) All interest earned from moneys in the emergency and
6
    budget reserve fund shall be credited to the general fund.
7
         (c) Expenditures from the emergency and budget reserve
8
    fund shall be a temporary supplemental source of funding for the
9
    State during times of emergency, economic downturn, or
10
    unforeseen reduction in revenues. No expenditures shall be made
11
    from the emergency and budget reserve fund except pursuant to
12
    appropriations. The general appropriations bill or the
13
    supplemental appropriations bill, as defined in section 9 of
14
    article VII of the Constitution of the State of Hawaii, shall
15
    not be used to appropriate moneys from the emergency and budget
16
    reserve fund. The governor, through an appropriations bill, may
17
    recommend expenditures from the emergency and budget reserve
18
    fund by setting forth the purposes of the expenditures
19
    consistent with subsection (d), the amounts, and the reasons
20
    justifying the necessity for the appropriations.
21
         (d) The legislature may make appropriations from the fund
22
    for the following purposes:
```



1	<del>(1)</del>	To maintain levels of programs determined to be
2		essential to public health, safety, welfare, and
3		education;
4	<del>(2)</del>	To provide for counter cyclical economic and
5		employment programs in periods of economic downturn;
6	<del>(3)</del>	To restore facilities destroyed or damaged or services
7		disrupted by disaster in any county; and
8	(4)	To meet other emergencies when declared by the
9		governor or determined to be urgent by the
10		<del>legislature.</del>
11	Any	act making appropriations from the emergency and budget
12	reserve f	und shall include a declaration of findings and
13	purposes	setting forth the purposes, the amounts, and the
14	reasons w	hy the appropriations are necessary and shall require a
15	two third	s majority vote of each house of the legislature.
16	<del>(e)</del>	Appropriations for the following purposes from the
17	emergency	and budget reserve fund are specifically prohibited:
18	<del>(1)</del>	To meet expenses of the legislature;
19	<del>(2)</del>	To provide for salary adjustments for officials
20		appointed pursuant to article V, section 6 or article
21		VI, section 3 of the Constitution of the State of

```
1
              Hawaii and for others whose salaries are directly
2
              related to salaries of these officials; and
3
         (3) To fund cost items in any collective bargaining
4
              contract."]
5
         SECTION 54. Section 393-41, Hawaii Revised Statutes, is
6
    repealed.
7
         [#[$393-41] - Establishment of special premium
8
    supplementation fund. There is established in the treasury of
9
    the State, separate and apart from all public moneys or funds of
10
    the State, a special fund for premium supplementation which
11
    shall be administered exclusively for the purposes of this
12
    chapter. All premium supplementations payable under this part
13
    shall be paid from the fund. The fund shall consist of (1) all
14
    money appropriated by the State for the purposes of premium
15
    supplementation under this part and (2) all fines and penalties
16
    collected pursuant to this chapter."]
17
                                 PART IV
18
         SECTION 55. The purpose of this part is to repeal special
19
    funds enacted under the regular sessions of 2003 and 2004.
20
         SECTION 56. Section 138-3, Hawaii Revised Statutes, is
21
    repealed.
```

```
1
         [#[$138-3] Wireless enhanced 911 fund. There is
2
    established outside the state treasury a special fund, to be
3
    known as the wireless enhanced 911 fund, to be administered by
4
    the board. The fund shall consist of amounts collected under
5
    section 138-4. Moneys paid into the fund are not general fund
6
    revenues of the State. The board shall place the funds in an
7
    interest bearing account at any federally insured financial
8
    institution, separate and apart from the general fund of the
9
    State. Moneys in the fund shall be expended exclusively by the
10
    board for the purposes of ensuring adequate cost recovery for
11
    the deployment of phase I and phase II wireless enhanced 911
12
    service and for expenses of administering the fund."]
13
         SECTION 57. Section 235-20.5, Hawaii Revised Statutes, is
14
    repealed.
15
         [#[$235-20.5] Tax administration special fund;
16
    established. There is established a tax administration special
    fund into which shall be deposited fees collected under sections
17
18
    235-20, 235-110.9, and 235-110.91. The moneys in the fund shall
19
    be expended by the department to offset the costs associated
20
    with:
21
         (1) Issuing comfort letters;
         (2) Issuing certificates under section 235-110.9; and
22
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```
(3) Issuing certificates under section 235 110.91."]
1
         SECTION 58. Section 264-122, Hawaii Revised Statutes, is
2
3
    repealed.
         [#[$264-122] Highway development special fund. (a) There
4
5
    is established in the state treasury the highway development
    special fund to be administered by the department, into which
6
7
    shall be deposited:
         (1) Transfers of county impact fees assessed under part
8
9
              VIII of chapter 46 and this part to pay for state
10
              highway improvements;
11
         (2) Interest from investment of deposits; and
12
         (3) Legislative and county appropriations.
         (b) Moneys in the highway development special fund shall
13
    be used for the following purposes:
14
15
         (1) Capital costs of qualifying proposed state highway
16
              improvements;
17
              Reevaluation of the need, geographic limitations,
         +(2)
18
              amount, and use of impact fees;
19
         (3) Transfers to reimburse other special funds for
20
              expenditures which otherwise might have been funded
21
              with moneys in the highway development special fund;
22
              Transfers under sections 36-27 and 36-30;
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24

```
1
         (5) Refunds under section 264-125; and
         (6) The department's costs to implement this part,
3
              including but not limited to costs to administer the
              highway development special fund.
4
5
         (c) The department may establish accounts in the highway
    development special fund as necessary to implement this part and
6
7
    rules adopted by the department."]
8
         SECTION 59. Section 302A-1130.6, Hawaii Revised Statutes,
9
    is repealed.
10
         [#[$302A-1130.6] Textbook and instructional materials fee
11
    special account. There is established within the department a
12
    textbook and instructional materials fee special account, into
13
    which shall be deposited all fees and charges collected from
14
    students or their parents or quardians pursuant to section
15
    302A 1130.5. Disbursements from this special account shall be
16
    expended by the department for the purposes of purchasing,
17
    replacing, or repairing school textbooks, instructional
18
    materials, library books, equipment, or supplies."]
19
         SECTION 60. Section 321-234, Hawaii Revised Statutes, is
20
    repealed.
21
         ["[$321-234] - Emergency medical services special fund. (a)
22
    There is established within the state treasury a special fund to
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1
    be known as the emergency medical services special fund to be
2
    administered and expended by the department.
3
         (b) The moneys in the special fund shall be used by the
4
    department for operating a state comprehensive emergency medical
5
    services system including enhanced and expanded services, and
    shall not be used to supplant funding for emergency medical
6
7
    services authorized prior to the [July 1, 2004].
8
         (c) Fees remitted pursuant to section 249-31, cigarette
9
    tax revenues designated under section 245-15, interest and
10
    investment earnings attributable to the moneys in the special
    fund, legislative appropriations, and grants, donations, and
11
    contributions from private or public sources for the purposes of
12
13
    the fund, shall be deposited into the special fund.
14
         (d) The department shall submit an annual report to the
15
    legislature no later than twenty days prior to the convening of
16
    each regular session that outlines the receipts of, and
17
    expenditures from, the special fund."]
18
         SECTION 61. Section 467B-15, Hawaii Revised Statutes, is
19
    repealed.
20
         [#[$467B-15] - Solicitation of funds for charitable purposes
21
    special fund. There is established in the state treasury the
22
    solicitation of funds for charitable purposes special fund, into
```



1	which shall be deposited all fees, fines, penalties, attorneys:
2	fees, and costs of investigation collected under this chapter.
3	Moneys in the fund may be expended by the attorney general for
4	the enforcement of this chapter, the dissemination of public
5	information, and the oversight of charities and professional
6	fundraisers."]
7	PART V
8	SECTION 62. The purpose of this part is to repeal special
9	funds enacted under the regular sessions of 2005 and 2006.
10	SECTION 63. Section 201B-8, Hawaii Revised Statutes, is
11	repealed.
12	[#[\$201B-8] Convention center enterprise special fund.
13	(a) There is established the convention center enterprise
14	special fund, into which shall be deposited:
15	(1) A portion of the revenues from the transient
16	accommodations tax, as provided by section 237D 6.5;
17	(2) All revenues or moneys derived from the operations of
18	the convention center to include all revenues from the
19	food and beverage service, all revenues from the
20	parking facilities or from any concession, and all
21	revenues from the sale of souvenirs, logo items, or

1		any other items offered for purchase at the convention
2		<del>center;</del>
3	<del>(3)</del>	Private contributions, interest, compensation, gross
4		or net revenues, proceeds, or other moneys derived
5		from any source or for any purpose arising from the
6		use of the convention center facility; and
7	(4)	Appropriations by the legislature, including any
8		transfers from the tourism special fund established
9		under section 201B 11 for marketing the facility
10		pursuant to section 201B-7(a)(7).
11	<del>(b)</del>	Moneys in the convention center enterprise special
12	fund shal	l be used by the authority for the payment of any and
13	all debt (	service relating to the convention center, any expense
14	arising f	rom any and all use, operation, maintenance,
15	alteration	n, improvement, or any unforeseen or unplanned repairs
16	of the co	vention center, including without limitation the food
17	and bever	age service and parking service provided at the
18	convention	center facility, the sale of souvenirs, logo items,
19	or other	items, for any future major repair, maintenance, and
20	improvemen	nt of the convention center facility as a commercial
21	enterprise	e or as a world class facility for conventions,

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entertainment, or public events, and for marketing the facility
1
2
    pursuant to section 201B-7(a)(7).
3
         (c) Moneys in the convention center enterprise special
4
    fund may be:
5
         (1) Placed in interest bearing accounts; provided that the
6
    depository in which the money is deposited furnishes security as
7
    provided in section 38-3; or
8
         (2) Otherwise invested by the authority until such time as
9
    the moneys may be needed; provided that the authority shall
10
    limit its investments to those listed in section 36-21.
11
    All interest accruing from investment of the moneys shall be
12
    credited to the convention center enterprise special fund."
13
         SECTION 64. Section 166E-7, Hawaii Revised Statutes, is
14
    repealed.
15
         ["[$166E-7] Non-agricultural park lands special fund;
16
    established. (a) There is established in the state treasury
17
    the non-agricultural park lands special fund, into which shall
18
    be deposited:
19
         (1) Legislative appropriations to the fund; and
20
         (2) All lease rent, fees, penalties, and any other revenue
21
              or funds collected from non-agricultural park lands
```



```
that are transferred, or in the process of being
1
              transferred, to the department under this chapter.
2
         (b) Moneys in the special fund shall be used to defray the
3
    costs incurred in managing, administering, and overseeing non-
4
5
    agricultural park lands that are transferred, or in the process
    of being transferred, to the department under this chapter.
6
7
         (c) The department shall administer the non-agricultural
8
    park lands special fund."]
9
         SECTION 65. Section 346-345, Hawaii Revised Statutes, is
10
    repealed.
         [#[$346-345] Special fund. (a) There is established
11
    within the state treasury to be administered by the department,
12
13
    the state pharmacy assistance program special fund, into which
    shall be deposited:
14
15
         (1) All moneys received from manufacturers that pay
16
              rebates as provided in section 346-342(q);
17
         (2) Appropriations made by the legislature to the fund;
18
              and
              Any other revenues designated for the fund.
19
20
         (b) Moneys in the state pharmacy assistance program
21
    special fund may be used for:
```

1	<del>(1)</del>	Reimbursement payments to participating pharmacies for
2		co-payments required under the federal medicare part D
3		pharmacy benefit program as provided to state pharmacy
4		assistance program participants;
5	<del>(2)</del>	The costs of administering the state pharmacy
6		assistance program, including salary and benefits of
7		employees, computer costs, and contracted services as
8		provided in section 346-342(d); and
9	<del>(3)</del>	Any other purpose deemed necessary by the department
10		for the purpose of operating and administering the
11		state pharmacy assistance program.
12	All	interest on special fund balances shall accrue to the
13	special f	und. Upon dissolution of the state pharmacy assistance
14	program s	pecial fund, any unencumbered moneys in the fund shall
15	lapse to	the general fund.
16	<del>(e)</del>	The department shall expend all revenues received from
17	rebates p	aid by pharmaceutical manufacturers pursuant to section
18	<del>346-342 (g</del>	) to pay for the benefits to enrollees in the state
19	<del>pharmacy</del>	assistance program, the costs of administering the
20	<del>program,</del>	and reimbursement of medicaid pharmaceutical costs.
21	т]	

- SECTION 66. Section 304A-2168, Hawaii Revised Statutes, is 1 repealed. 2 [#[\$304A-2168] Hawaii cancer research special fund. (a) 3 There is established within the state treasury a special fund to 4 be known as the Hawaii cancer research special fund to be 5 administered and expended by the University of Hawaii. 6 (b) The moneys in the special fund shall be used by the 7 University of Hawaii for the cancer research center of Hawaii's 8 9 research and operating expenses. 10 (c) Moneys collected pursuant to section 245-15 shall be 11 deposited into the special fund. "] SECTION 67. Section 321-1.65, Hawaii Revised Statutes, is 12 13 repealed. ["[§321-1.65] Community health centers special fund. (a) 14 There is established within the state treasury a special fund to 15 16 be known as the community health centers special fund to be 17 administered and expended by the department of health. (b) The moneys in the special fund shall be used by the 18 19 department of health for the operations of federally qualified 20 health centers. 21 (c) Moneys collected pursuant to section 245-15 shall be deposited into the special fund."] 22
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SECTION 68. Section 211F-5.7, Hawaii Revised Statutes, is
1
2
    repealed.
         [#[§211F-5.7] Hydrogen investment capital special fund.
3
    (a) There shall be established the hydrogen investment capital
4
5
    special fund, into which shall be deposited:
         (1) Appropriations made by the legislature to the fund;
6
         (2) All contributions from public or private partners;
7
8
         (3) All interest earned on or accrued to moneys deposited
9
              in the special fund; and
10
         (4) Any other moneys made available to the special fund
11
              from other sources.
12
         (b) Moneys in the fund shall be used to:
         (1) Provide seed capital for and venture capital
13
14
              investments in private sector and federal projects for
15
              research, development, testing, and implementation of
16
              the Hawaii renewable hydrogen program, as set forth in
17
              section 196-10; and
18
         (2) For any other purpose deemed necessary to carry out
19
              the purposes of section 196 10."]
20
         SECTION 69. Section 167-24, Hawaii Revised Statutes, is
21
    repealed.
```

```
[#[$167-24] Irrigation repair and maintenance special
1
   fund. (a) There is established in the state treasury the
2
   irrigation repair and maintenance special fund that shall be
3
    administered by the board.
4
        (b) Moneys in the irrigation repair and maintenance
5
    special fund shall be used to fund repair and maintenance of the
6
    following irrigation systems:
7
              East Kauai irrigation system;
8
         (2) Kekaha ditch:
9
         (3) Kokee ditch:
10
         (4) Maui Land/Pioneer Mill irrigation system;
11
         (5) Waiahole ditch;
12
              Lower Hamakua irrigation system;
         (6)
13
              Molokai irrigation system;
         +7
14
              Upcountry Maui irrigation system;
         <del>(8)</del>-
15
              Waimanalo irrigation system;
16
         (9)
        (10) Waimea irrigation system;
17
        (11) East Maui irrigation system;
18
        (12) Kauai coffee irrigation system;
19
        (13) West Maui irrigation system;
20
        (14) Kau irrigation system;
21
        (15) Honomalino irrigation system;
22
```



omucq or confrolled by the landowner and served by the	77
(3) Ydrees to nse, or provide for the use of, all lands	17
bns ;eqsm no noisulon or sud	07
and county of the petition and designation for the	61
defined under section 205-42 and notifies the board	81
trigation ayatem as important agricultural lands as	LI
aff fand served by the water produced by the	91
presentation 205 45 designating a majority of	SI
(S) ydrees to tile a petition for declaratory ruling	<b>†</b> ]
<del>-{pun3</del>	٤١
trom the irrigation repair and maintenance apecial	71
(1) Provides matching funding equal to the amount received	Į
Epo jandowner:	01
**************************************	6
(d) Landowners may apply for funding assistance from the	8
obligation bond funds and federal funds.	L
aball be funded by legislative appropriations, including general	9
(c) <u>Lpc jrrigation repair and maintenance apecial fund</u>	S
peen converted to diversified agriculture.	Þ
andskesue sug bivesbbje bjsutstion jsuga that have	ε
(17) Other privately-owned irrigation systems on former	z
remark to smothers meither institution (FF)	•

1	water produced by the irrigation system for
2	agricultural production.
3	The board shall develop processes, policies, standards, and
4	criteria for selecting the landowners that are to receive
5	funding and the amount of such funding. The board shall also
6	develop processes, policies, standards, and criteria for
7	determining the amount of funding provided to irrigation systems
8	in subsection (b) owned by the State.
9	(e) As used in this section:
10	"Diversified agriculture" means agricultural operations
11	that produce diversified agricultural products, including
12	flowers, nursery products, vegetables, herbs, melons, seed
13	erops, macadamia nuts, aquaculture, coffee, milk, cattle, eggs,
14	hogs, and fruit.
15	"Irrigation system" means the agricultural system of
16	intakes, diversions, wells, ditches, siphons, pipes, reservoirs,
17	and accessory facilities established to provide water for
18	agricultural production.
19	"Landowner" means a private entity that:
20	(1) Owns agricultural land, formerly used as a sugarcane
21	or pineapple plantation, that contains a privately-
22	owned irrigation system that is necessary for the



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sustained production of diversified agriculture on the
1
              land served by the irrigation system; or
2
         (2) Owns, or partially owns, an irrigation system listed
3
              in subsection (b) (1) through (17)."]
5
         SECTION 70. Section 486J-5.6, Hawaii Revised Statutes, is
    repealed.
6
         [#[$486J-5.6] Petroleum industry monitoring, analysis, and
7
    reporting special fund. (a) There is established a petroleum
8
    industry monitoring, analysis, and reporting special fund to be
10
    administered by the commission.
11
         (b) The legislature may make appropriations from the
12
    general revenues of the State of Hawaii, not to exceed
    $2,000,000 in any fiscal year, for the petroleum industry
13
    monitoring, analysis, and reporting special fund.
14
         (c) Moneys in the special fund shall be used to:
15
16
         (1) Administer the petroleum industry monitoring,
    analysis, and reporting program pursuant to this chapter; and
17
18
         (2) Establish full-time staff positions in the
19
    commission to implement and maintain the petroleum industry
    monitoring, analysis, and reporting program, including the
20
21
    automated petroleum industry information reporting system
22
    established by section 486J-5.5."]
```

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1	SECTION 71. Section 321-22.5, Hawaii Revised Statutes, is
2	repealed.
3	[#[\$321-22.5] Trauma system special fund. (a) There is
4	established within the state treasury a special fund to be known
5	as the trauma system special fund to be administered and
6	expended by the department of health. Moneys in the trauma
7	system special fund shall not lapse at the end of the fiscal
8	year. Expenditures from the trauma system special fund shall be
9	exempt from chapters 103D and 103F.
10	(b) The moneys in the trauma system special fund shall be
11	used by the department to support the continuing development and
12	operation of a comprehensive state trauma system. The trauma
13	system special fund shall be used to subsidize the documented
14	costs for the comprehensive state trauma system, including but
15	not limited to the following:
16	(1) Costs of under-compensated and uncompensated trauma
17	care incurred by hospitals providing care to trauma
18	patients; and
19	(2) Costs incurred by hospitals providing care to trauma
20	patients to maintain on call physicians for trauma
21	<del>care.</del>

```
The money in the trauma system special fund shall not be used to
 1
    supplant funding for trauma services authorized prior to July 1,
 2
 3
    2006, and shall not be used for ambulance or medical air
 4
    transport services.
 5
         (c) Interest and investment earnings attributable to the
 6
    moneys in the trauma system special fund, federal funding,
 7
    legislative appropriations, and grants, donations, and
    contributions from private or public sources for the purposes of
 8
 9
    the trauma system special fund shall be deposited into the
10
    trauma system special fund.
         (d) The department shall adopt rules pursuant to chapter
11
    91 to effectuate the purposes of this section, including the
12
13
    methodology for disbursements from the trauma system special
14
    fund.
         (e) To receive reimbursement, a hospital providing care to
15
16
    trauma patients shall apply to the trauma system special fund on
    a form and in a manner approved by the department; provided that
17
    recipients of reimbursements from the trauma system special fund
18
    shall be subject to the following conditions:
19
20
              The recipient of a reimbursement shall:
21
              (A) Comply with applicable federal, state, and county
22
                   laws;
```



1		<del>(B)</del>	Comply with any other requirements the director
2			may prescribe;
3		<del>(C)</del>	Allow the director, the legislative bodies, and
4			the state auditor access to records, reports,
5			files, and other related documents, to the extent
6			permissible under applicable state and federal
7			law, so that the program, management, and fiscal
8			practices of the recipient may be monitored and
9			evaluated to ensure the proper and effective
10			expenditure of public funds;
11		<del>(D)</del>	Provide care to all injured patients regardless
12			of their ability to pay; and
13		<del>(E)</del>	Participate in data collection and peer review
14			activities for the purpose of system evaluation
15			and improvement of patient care; and
16	<del>(2)</del>	Ever	y reimbursement shall be monitored according to
17		rule	s established by the director under chapter 91 to
18		ensu	re compliance with this section.
19	<del>(£)</del>	Nece	ssary administrative expenses to carry out this
20	section s	hall	not exceed five per cent of the total amount
21	collected	in a	ny given year.

90

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(g) The department shall submit an annual report to the
1
2
    legislature no later than twenty days prior to the convening of
    each regular session that outlines the receipts of and
3
    expenditures from the trauma system special fund.
4
5
         (h) For the purposes of this section:
6
         "Comprehensive state trauma system" means a coordinated
7
    integrated system providing a spectrum of medical care
8
    throughout the State designed to reduce death and disability by
9
    appropriate and timely diagnosis and specialized treatment of
    injuries, which includes hospitals with successive levels of
10
11
    advanced capabilities for trauma care in accordance with
12
    nationally accepted standards established by the American
13
    College of Surgeons Committee on Trauma.
14
         "Hospital providing care to trauma patients" means a
15
    hospital with emergency services that receives and treats
16
    injured patients.
17
         "Trauma care" means specialized medical care intended to
    reduce death and disability from injuries. "]
18
                                 PART VI
19
20
         SECTION 72.
                      Chapter 37, Hawaii Revised Statutes, is
21
    amended by adding a new section to be appropriately designated
22
    and to read as follows:
```



1	"§37- Special funds; automatic repeal. (a) Unless
2	otherwise provided by the legislature in any law authorizing the
3	establishment of any special fund as the means of financing, all
4	special funds in existence as of June 30, 2007, shall be
5	repealed on June 30, 2008, provided that prior to the repeal of
6	any special fund, the administrator of the fund shall deposit to
7	the credit of the state general fund, all unencumbered and
8	unexpended balances remaining in the fund.
9	(b) Prior to the regular session immediately preceding the
10	date of the repeal of any special fund, the administrator of the
11	fund shall submit to the legislature, the budgetary request
12	necessary to carry out the functions, duties, and the operations
13	of the program, activity, or undertaking previously financed
14	under the proceeds of the special fund."
15	PART VII
16	SECTION 73. If the receipt of federal funds provided to
17	the State would be jeopardized by the implementation of part II
18	of this Act with respect to one or more special funds, as
19	determined by the attorney general's office, then part II of
20	this Act shall be void with respect to that special fund;
21	provided, however, that part II of this Act shall remain in
22	effect with respect to all other special funds.



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Report Title: State Finances

Description:

Abolishes special funds with exceptions.