HOUSE OF REPRESENTATIVES TWENTY-EIGHTH LEGISLATURE, 2016 STATE OF HAWAII H.B. NO. <sup>2465</sup> H.D. 1

## A BILL FOR AN ACT

RELATING TO NON-GENERAL FUNDS.

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

1	PART I
2	SECTION 1. The purpose of this Act is to repeal, abolish,
3	or amend various non-general funds pursuant to the
4	recommendations made by the auditor in auditor's report no.
5	15-19.
6	PART II
7	SECTION 2. The purpose of this part is to repeal the child
8	care licensing and registration special fund.
9	The legislature finds that the fund no longer serves the
10	purpose for which it was created.
11	SECTION 3. Section 346-159, Hawaii Revised Statutes, is
12	repealed.
13	[" <del>[§346-159] Child care-licensing and registration special</del>
14	fund. (a) There is established within the state treasury, to
15	be administered by the department, the child care licensing and
16	registration-special-fund into which shall be deposited:

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1	<del>(1)</del>	All fees received from applicants for a license to
2		operate group child care homes or group child care
3		centers as provided in section 346-163 and from
4		applicants for a certificate of registration for
5		family child care-homes as provided in section 346
6		<del>173;</del>
7	<del>(2)</del>	Appropriations made by the legislature to the fund;
8		and
9	- <del>(3)</del>	Any other revenues designated for the fund.
10	- <del>(b)</del>	Moneys in the child care licensing and registration
11	<del>special f</del>	und shall be used for the following purposes:
12	<del>(1)</del>	The costs of administering child care licensing and
13		registration;
14	<del>(2)</del>	Furthering the provision of quality child care
15		services; and
16	<del>(3)</del>	Any-other purpose-deemed necessary by the department
17		to ensure the health and safety of children.
18	<del>.(c)</del>	All interest on special fund balances shall accrue to
19	<del>the credi</del>	t of the special fund. Upon dissolution of the child
20		nsing and registration special fund, any unencumbered

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1	moneys in the fund shall lapse to the credit of the general
2	fund."]
3	SECTION 4. On July 1, 2016, all unencumbered balances
4	remaining in the child care licensing and registration special
5	fund repealed by section 3 of this Act shall lapse to the credit
6	of the general fund.
7	PART III
8	SECTION 5. The purpose of this part is to repeal the
9	housing first special fund.
10	The legislature finds that the fund does not meet the self-
11	sustaining criterion because it relies on general fund
12	appropriations. Thus, the fund should be repealed.
13	SECTION 6. Section 346-378, Hawaii Revised Statutes, is
14	amended by amending subsection (a) to read as follows:
15	"(a) The department of human services, in consultation
16	with the United States Department of Housing and Urban
17	Development, as necessary, shall implement housing first
18	programs and services, as the department deems appropriate for
19	clientele who would most likely benefit from and succeed with
20	the implementation of housing first programs and services, and

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1	subject to the availability of existing funds [ <del>or-housing first</del>
2	special fund moneys]."
3	SECTION 7. Section 346-377, Hawaii Revised Statutes, is
4	repealed.
5	[" <del>[§346-377] Housing first special fund. (a) There is</del>
6	established in the state treasury the housing first special
7	fund, into which shall be deposited:
8	(1) Appropriations by the legislature to the special fund;
9	and
10	(2) Cifts, donations, and grants-from public agencies and
11	private persons.
12	Each county-may provide matching funds, which shall also be
13	deposited into the housing first special fund.
14	(b) Moncys in the housing first special fund shall be
15	administered and expended by the department of human-services
16	and shall be used to provide housing first programs and
17	services."]
18	SECTION 8. On July 1, 2016, all unencumbered balances
19	remaining in the housing first special fund repealed by section
20	7 of this Act shall lapse to the credit of the general fund.

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1	PART IV
2	SECTION 9. The purpose of this part is to amend the
3	revenue sources of the spouse and child abuse special account.
4	The legislature finds that the account does not meet the
5	clear nexus criterion. Specifically, there is no clear link
6	between the benefits of spouse and child abuse intervention and
7	prevention programs supported by the fund and revenues derived
8	from a portion of fees for copies of birth, marriage, divorce,
9	and death certificates, and marriage licenses issued by the
10	department of health, pursuant to sections 338-14.5 and 572-5,
11	Hawaii Revised Statutes.
12	SECTION 10. Section 338-14, Hawaii Revised Statutes, is
13	amended by amending subsection (c) to read as follows:
<b>14</b>	"(c) The department shall keep an account of all fees
15	collected and shall deposit them to the general fund of the
16	State except as provided in sections 321-1.3, 338-14.5,
17	338-14.6, [ <del>346-7.5,</del> ] and 601-3.6."
18	SECTION 11. Section 338-14.5, Hawaii Revised Statutes, is
19	amended to read as follows:
20	"§338-14.5 Copies of certificate; fees. The fees for
21	certified copies of birth, marriage, divorce, or death

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1	certificates issued by the department of health shall consist of
2	\$10 for the first copy issued and \$4 for each copy issued
3	thereafter. These fees shall be collected for each single
4	request for certified copies. All fees received for the
5	issuance of certified copies of birth, marriage, divorce, or
6	death certificates shall be remitted to the director of health.
7	Upon the receipt of remittances under this section, the director
8	of health shall deposit:
9	[ <del>(1)</del> <del>\$1 for each certified copy to the credit of the spouse</del>
10	and child abuse special account established under
11	section 346 7.5;
12	(2)] (1) \$1 for each certified copy to the credit of the
13	spouse and child abuse special account established
14	under section 601-3.6;
15	$\left[\frac{3}{2}\right]$ (2) \$1 for each certified copy to the credit of the
16	domestic violence and sexual assault special fund
17	established under section 321-1.3;
18	$\left[\frac{4}{4}\right]$ (3) \$1 for each certified copy to the credit of the
19	vital statistics improvement special fund established
20	under section 338-14.6; and

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1  $\left[\frac{4}{5}\right]$  (4) The remainder of the fee for each certified copy 2 to the credit of the state general fund." 3 SECTION 12. Section 346-7.5, Hawaii Revised Statutes, is 4 amending by amending subsection (c) as follows: 5 The account shall consist of [fees-remitted pursuant "(c) to sections 338-14.5 and 572 5, ] income tax remittances 6 allocated under section 235-102.5, interest and investment 7 8 earnings, grants, donations, and contributions from private or 9 public sources. All realizations of the account shall be 10 subject to the conditions specified in subsection (b)." SECTION 13. Section 572-5, Hawaii Revised Statutes, is 11 12 amended by amending subsections (a) and (b) to read as follows: 13 The department of health shall appoint, and at its "(a) pleasure remove, one or more suitable persons as agents 14 authorized to grant marriage licenses under this chapter in each 15 16 judicial circuit. The agents may issue licenses from any state 17 facility when deemed necessary by the director. Any agent appointed under this subsection and receiving an application for 18 19 a marriage license shall collect from the applicant for the 20 license \$60, of which the agent, except those provided for in 21 subsection (b), shall retain \$9 for the agent's benefit and

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1	compensation and shall remit \$51 to the director of health.
2	Upon the receipt of remittances under this subsection, the
3	director of health shall deposit:
4	(1) [ <del>\$32</del> ] <u>\$36.50</u> for each license issued to the credit of
5	the general fund of the State;
6	[ <del>(2)</del> \$4.50 for each license issued to the credit of the
7	spouse and child abuse special account established
8	under section 346 7.5;
9	(3) (2) \$4.50 for each license issued to the credit of
10	the spouse and child abuse special account established
11	under section 601-3.6; and
12	[(4)] (3) \$10 for each license issued to the credit of the
13	birth defects special fund established under section
14	321-426.
15	(b) The department may appoint, as regular employees under
16	the civil service and classification laws, the number of
17	suitable persons as agents authorized to grant marriage licenses
18	for whom provision has been made in the general appropriation
19	act. In the case of these agents, the full amount collected
20	from applicants shall be remitted to the director of health.

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1	Upon the receipt of remittances under this subsection, the
2	director of health shall deposit:
3	(1) $[\frac{\$41}{\$45.50}$ for each license issued to the credit of
4	the general fund of the State;
5	[ <del>(2)</del> \$4.50-for-each license issued to the credit of the
6	spouse and child abuse special account-established
7	under section 346 7.5;
8	(3)] (2) \$4.50 for each license issued to the credit of
9	the spouse and child abuse special account established
10	under section 601-3.6; and
11	$\left[\frac{4}{3}\right]$ (3) \$10 for each license issued to the credit of the
12	birth defects special fund established under section
13	321-426."
14	PART V
15	SECTION 14. The purpose of this part is to repeal the
16	housing project bond special funds.
17	The legislature finds that the funds do not serve the
18	purposes for which they were created.
19	SECTION 15. Section 356D-23, Hawaii Revised Statutes, is
20	amended by amending subsection (c) to read as follows:

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1 "(c) The trustee shall also be authorized by the authority 2 [to hold and administer any housing project bond special funds 3 established pursuant to section 356D 28, and to receive and 4 receipt for, hold, and administer the revenues derived by the 5 authority from any public housing project or projects for which 6 the bonds are issued or the projects pledged to the payment of 7 the bonds, and to apply the revenues to the payment of the cost 8 of administering, operating, and maintaining the public housing 9 project or projects, to pay the principal of and the interest on 10 the bonds, to the establishment of reserves, and to other 11 purposes as may be authorized in the proceedings providing for 12 the issuance of the bonds." 13 SECTION 16. Section 356D-28, Hawaii Revised Statutes, is 14 amended to read as follows: 15 "[4] \$356D-28[4] Public housing revolving fund[; housing 16 project bond special funds]. (a) There is established the 17 public housing revolving fund to be administered by the 18 authority. Notwithstanding section 36-21, the proceeds in the 19 fund shall be used for long-term and other special financings of

the authority and for necessary expenses in administering this

21 chapter.

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1 (b) All moneys received and collected by the authority, 2 not otherwise pledged, obligated, or required by law to be 3 placed in any other special fund, shall be deposited into the 4 public housing revolving fund. 5 [(c) A separate special fund shall be established for each 6 public housing project or projects financed from the proceeds of 7 bonds-secured under the trust indenture. Each fund shall be 8 designated "housing-project bond special fund" and shall bear 9 any additional designation as the authority deems appropriate to 10 properly identify the fund. 11 (d) Notwithstanding any other law to the contrary, all 12 revenues, income, and receipts derived from a public housing 13 project or projects financed from the proceeds of bonds or 14 pledged to the payment of principal of and interest and premium 15 on bonds, shall be paid into the housing project bond special 16 fund established for the public housing project or projects and 17 applied as provided in the proceedings authorizing the issuance 18 of bonds.]" 19 SECTION 17. On July 1, 2016, all unencumbered balances

20 remaining in the housing project bond special funds repealed by

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1	section 1	6 of this Act shall lapse to the credit of the general
2	fund.	
3		PART VI
4	SECT	ION 18. The temporary deposits - payroll overpayment
5	housing a	nd community development corporation of Hawaii trust
6	fund, adm	inistratively created in 2006, is reclassified as a
7	trust acc	ount.
8		PART VII
9	SECT	ION 19. The following funds and accounts are
10	abolished	:
11	(1)	The blueprint for change program special fund
12		administratively established in 2010;
13	(2)	The costs related to homeless assistance special fund
14		administratively established in 2003;
15	(3)	The Hale Mahaolu special fund administratively created
16		in 2010;
17	(4)	The Hawai'i immigrant health initiative program special
18		fund administratively created in 2010;
19	(5)	The outreach services special fund administratively
20		created in 2010;

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1	(6)	The outreach services to located uninsured children
2		special fund administratively created in 2010;
3	(7)	The outstationed eligibility worker services special
4		fund administratively created in 2010;
5	(8)	The shelter plus care program special fund
6		administratively created in 2010; and
7	(9)	The support domestic violence shelters statewide
8		special fund administratively established in 2010; and
9	(10)	The financial assistance for housing special fund
10		administratively established in 2001;
11	and any r	emaining unencumbered balances shall be transferred to
12	the emerg	ency and budget reserve fund established pursuant to
13	section 3	28L-3, Hawaii Revised Statutes.
14		PART VIII
15	SECT	ION 20. The following funds and accounts are
16	abolished	:
17	(1)	The blind shop revolving and handicraft fund
18		established by section 347-12, Hawaii Revised
19		Statutes, which has been repealed by Act 147, Session
20		Laws of Hawaii 2015:

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1	(2)	The department of human services homeless trust fund
2		created in 2006;
3	(3)	The Geist foundation trust account created 1997;
4	(4)	Kahikolu 'Ohana O Wai'anae project trust fund created
5		in 2007; and
6	(5)	The recruitment of foster parents trust account
7		created in 1987;
8	and any r	remaining unencumbered balances shall be transferred to
9	the gener	al fund.
10		PART IX
11	SECT	'ION 21. There is appropriated out of the general
12	revenues	of the State of Hawaii the sum of \$ or so much
13	thereof a	s may be necessary for fiscal year 2016-2017 for the
14	purposes	of this Act.
15	The	sum appropriated shall be expended by the department of
16	human ser	rvices.
17	SECI	TION 22. There is appropriated out of the general
18	revenues	of the State of Hawaii the sum of \$ or so much
19	thereof a	is may be necessary for fiscal year 2016-2017 for the
20	purposes	of this Act.

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1	The sum appropriated shall be expended by the Hawaii public
2	housing authority.
3	PART X
4	SECTION 23. Statutory material to be repealed is bracketed
5	and stricken. New statutory material is underscored.
6	SECTION 24. This Act shall take effect on July 1, 2016.

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Report Title: Non-General Funds; Repeal; Transfer of Balances; Appropriation

Description: Repeals and transfers the unencumbered balances of or amends various non-general funds and accounts recommended by the Auditor in Auditor's Report no. 15-19. Amends the revenue sources of the Spouse and Child Abuse Special Account. Appropriates funds. (HB2465 HD1)

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