

STAND. COM. REP. NO. 1177

Honolulu, Hawaii

MAR 20 2023

RE: H.B. No. 38  
H.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Labor and Technology, to which was referred H.B. No. 38, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO NON-GENERAL FUNDS,"

begs leave to report as follows:

The purpose and intent of this measure is to reclassify the Human Resources Development Special Fund as a revolving fund pursuant to the recommendation made by the Auditor in Auditor's Report No. 22-12, which reviewed the special funds, revolving funds, trust funds and trust accounts of the Department of Human Resources Development.

Your Committee received testimony in support of this measure from the Department of Human Resources Development. Your Committee received comments from the Tax Foundation of Hawaii.

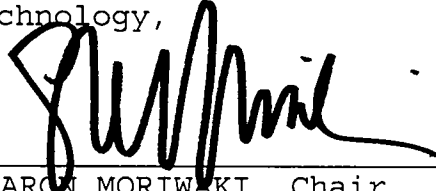
Your Committee finds that the Human Resources Development Special Fund was established to support the Department's entrepreneurial initiatives, including claims management fees for administering workers compensation claims for charter schools and other administrative fees, and fees from training activities, programs, and administration. Your Committee further finds that the costs for these initiatives, training activities, and programs are replenished through fees assessed for those services, which aligns with the function and definition of a revolving fund as defined by section 37-62, Hawaii Revised Statutes.



Your Committee recognizes that for the correct conversion of the special fund to a revolving fund, a corresponding adjustment must be made to the operating budget bill to change the special fund ceiling (B funds) to a revolving fund ceiling (W funds).

As affirmed by the record of votes of the members of your Committee on Labor and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 38, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Labor and  
Technology,




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SHARON MORIWAKI, Chair



The Senate  
 Thirty-Second Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Labor and Technology**  
**LBT**

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 38 HD1	LBT, WAM	3/13/23		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
MORIWAKI, Sharon Y. (C)	x			
LEE, Chris (VC)	x			
IHARA, Jr., Les				o
KEITH-AGARAN, Gilbert S.C.	x			
FEVELLA, Kurt				x
<b>TOTAL</b>	3			2
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
<b>Distribution:</b>				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

\*Only one measure per Record of Votes