
A BILL FOR AN ACT

RELATING TO NON-GENERAL FUNDS.

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

1 SECTION 1. The legislature finds that fluctuating federal
2 policies continue to cause widespread challenges across the
3 country, including reduced funding for federal and state
4 programs that provide essential community services. To address
5 these often sudden changes, the executive branch must have the
6 ability to adapt to fluctuating revenue projections by shifting
7 available moneys.

8 Accordingly, the purpose of this Act is to allow the moneys
9 in certain special or revolving funds to be used for
10 administrative and operating costs of the related programs.

11 SECTION 2. Section 163D-17, Hawaii Revised Statutes, is
12 amended by amending subsection (b) to read as follows:

13 "(b) The corporation shall hold the fund in an account or
14 accounts separate from other funds. The corporation shall
15 [~~invest and reinvest~~] use the fund [~~and the income thereof~~] to:

16 (1) Purchase qualified securities issued by enterprises
17 for the purpose of raising seed capital; provided that



1 the investment shall comply with the requirements of
2 this chapter;

3 (2) Acquire interests or rights in land having value to
4 the State for agricultural production, agricultural
5 infrastructure, irrigation, watershed protection
6 related to agricultural viability, or other purpose
7 consistent with this chapter. The interests or rights
8 in land acquired may include the fee title, the
9 establishment of a permanent conservation easement
10 under chapter 198, an agricultural easement; or other
11 easement or interest in the land. The acquisition
12 shall constitute a public purpose for which public
13 funds may be expended or advanced;

14 (3) Pay costs related to the operation, maintenance, and
15 management of lands acquired under paragraph (2) that
16 are necessary to protect, maintain, or restore
17 resources that are at risk on those lands, or that
18 provide for greater public access and enjoyment of the
19 lands; provided that the payment of costs from the
20 fund related to the operation, maintenance, and
21 management of lands acquired under paragraph (2) shall



1 not exceed five per cent of the fund's annual fund
2 revenues for the previous year;

3 (4) Pay debt service on state financial instruments
4 relating to the acquisition of land under paragraph
5 (2);

6 [~~4~~] (5) Make grants, loans, and provide other monetary
7 forms of assistance necessary to carry out the
8 purposes of this chapter; and

9 [~~3~~] (6) Purchase securities as may be lawful investments
10 for fiduciaries in the State.

11 All appropriations, grants, contractual reimbursements, and
12 other funds not designated for this purpose may be used to pay
13 for the proper general expenses and to carry out the purposes of
14 the corporation[~~-~~], including for personnel and other operating
15 costs.

16 Any net proceeds or revenue from the operation, management,
17 sale, lease, or other disposition of land or the improvements on
18 the land acquired or constructed by the board under this chapter
19 shall be deposited into or credited to the fund."

20 SECTION 3. Section 206E-16, Hawaii Revised Statutes, is
21 amended to read as follows:



1 **"§206E-16 Hawaii community development special fund.**

2 There is created the Hawaii community development special fund
3 into which all receipts and revenues of the authority shall be
4 deposited. Proceeds from the fund shall be used for the
5 purposes of this chapter~~(-)~~, including the costs of its
6 administration."

7 SECTION 4. Section 206M-62, Hawaii Revised Statutes, is
8 amended to read as follows:

9 **"[+]§206M-62[+] Strategic development programs revolving**

10 **fund.** (a) There is established the strategic development
11 programs revolving fund. The following moneys shall be
12 deposited into the strategic development programs revolving fund
13 and shall not be considered part of the general fund: all
14 moneys appropriated by the legislature, received as repayments
15 of loans, earned on investments, received pursuant to a venture
16 agreement, received as royalties, received as premiums or fees
17 charged by the development corporation, or otherwise received by
18 the development corporation.

19 (b) Moneys in the strategic development programs revolving
20 fund shall be used for the following purposes:



- 1 (1) To administer and fund the cost of operations of
- 2 strategic development programs under part V of
- 3 chapter 206M; and
- 4 (2) For any other purpose deemed necessary to carry out
- 5 the purposes of part V of chapter 206M."

6 SECTION 5. Section 302A-1706, Hawaii Revised Statutes, is
7 amended by amending subsection (c) to read as follows:

8 "(c) The school facilities special fund shall be
9 administered by the authority and used to fund any school
10 development, planning, or construction project, including
11 prekindergarten facilities, within the jurisdiction of the
12 authority[-], including the cost of operations."

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

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

Report Title:

Special Funds; Revolving Funds

Description:

Authorizes the use of moneys in certain special and revolving funds for operation and administration costs of related programs. Authorizes the use of the Hawaii agricultural development revolving fund moneys for the acquisition of interests or rights in land and any ongoing costs related thereto. (CD1)

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