

JAN 17 2013

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# A BILL FOR AN ACT

RELATING TO THE ELDERLY.

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

1           SECTION 1. The Hawaii Revised Statutes is amended by  
2 adding a new chapter to be appropriately designated and to read  
3 as follows:

4   **"CHAPTER**

5   **HAWAII KUPUNA TRUST FUND**

6           § -1 **Definitions.** As used in this chapter, unless the  
7 context clearly requires otherwise:

8           "Abuse" has the same meaning as defined in section 346-222.

9           "Aging and disability resource centers" means an entity  
10 established by the State as part of the state system of long-  
11 term care, serving as a highly visible and trusted source where  
12 people of all incomes and ages can get information on the full  
13 range of long-term support options, and a single point of entry  
14 for access to public long-term support programs and benefits.

15           "Board" means the Hawaii kupuna trust fund advisory board.

16           "Department" means the department of health;

17           "Dependent adult" means any adult who, because of mental or  
18 physical impairment, is dependent upon another person, a care



1 organization, or a care facility for personal health, safety, or  
2 welfare.

3 "Director" means the director of health;

4 "Elder" or "elderly" means a person who is a resident of  
5 the State and has attained the age of sixty-two years.

6 "Elder or elderly housing" means:

7 (1) A housing project intended for and occupied by elders  
8 or elderly households; or

9 (2) Housing provided under any state or federal program  
10 that the Secretary of the United States Department of  
11 Housing and Urban Development determines is  
12 specifically designed and operated to assist elder or  
13 elderly persons, or if the Secretary makes a  
14 determination, the project may also be occupied by  
15 persons with disabilities who have reached eighteen  
16 years of age.

17 "Trust fund" or "fund" means the Hawaii kupuna trust fund.

18 § -2 **Creation of the Hawaii kupuna trust fund.** (a)

19 There is established the Hawaii kupuna trust fund as a separate  
20 fund of a nonprofit entity having a board of directors and  
21 qualifying under section 501(c)(3) of the Internal Revenue Code  
22 of 1986, as amended, into which shall be deposited moneys



1 received as provided under subsection (c). The director, with  
2 the concurrence of the governor, shall select, in accordance  
3 with chapter 103D, the entity based upon the proven record of  
4 accomplishment of the entity in administering a similar trust  
5 fund.

6 (b) Notwithstanding that the Hawaii kupuna trust fund is  
7 established within a private entity, the department of budget  
8 and finance shall have oversight authority over the fund and may  
9 make periodic financial audits of the fund; provided that the  
10 director of finance may contract with a certified public  
11 accountancy firm for this purpose. The director with the  
12 concurrence of the governor in their sole discretion may rescind  
13 the selection of the entity. If the selection of the entity is  
14 rescinded, moneys in the trust fund shall revert back to the  
15 State and shall be deemed to be trust moneys.

16 (c) The assets of the Hawaii kupuna trust fund and control  
17 trust fund shall consist of:

- 18 (1) Moneys appropriated to the Hawaii kupuna trust fund by  
19 the state, county, or federal government;
- 20 (2) Private contributions of cash or property from  
21 corporations, businesses, foundations, grants,



1           endowments, individuals, and other interested parties;  
2           and

3           (3) Income and capital gains earned by the trust fund.

4 Any appropriations made by the State shall not supplant or  
5 diminish the funding of existing elderly and dependent or any  
6 health related programs funded in whole or in part by the State.

7           (d) The purpose of the trust fund is to strengthen elderly  
8 and dependent adult care by the award of grants for purposes  
9 that may include but are not limited to the following:

10           (1) The prevention of elder dependent adult abuse and  
11           neglect;

12           (2) The prevention of financial exploitation of the  
13           elderly and dependent adults;

14           (3) The prevention of injuries to the elderly and  
15           dependent adults that are caused by falling;

16           (4) The assistance of residents of elderly housing;

17           (5) The assistance of the elderly and dependent adults  
18           with transportation and mobility needs;

19           (6) The promotion of aging and disability resource  
20           centers; and

21           (7) The meeting of future needs of the elderly and  
22           dependent adults, as determined by the Hawaii kupuna



1 trust fund advisory board in accordance with this  
2 chapter.

3 (e) There shall be an endowment component of the Hawaii  
4 kupuna trust fund.

5 (f) The aggregate principal sum deposited in the Hawaii  
6 kupuna trust fund, and any income and capital gains earned by  
7 the trust fund but not expended for grantmaking or  
8 administration, shall be invested by the entity selected under  
9 subsection (a) in a manner intended to maximize the rate of  
10 return on investment of the trust fund consistent with the  
11 objective of preserving the trust fund's principal.

12 (g) If the entity selected under subsection (a) is  
13 dissolved, the director, with the concurrence of the governor,  
14 shall select a successor entity. If the Hawaii kupuna trust  
15 fund is terminated, the moneys remaining in the trust fund shall  
16 revert back to the State and shall be deemed to be trust moneys.

17 (h) The administration of the Hawaii kupuna trust fund  
18 shall be advised by the Hawaii kupuna trust fund advisory board  
19 created under section -4.

20 (i) The executive office on aging shall serve as the lead  
21 agency for the public sector and, in conjunction with the entity



1 selected under subsection (a) to administer the Hawaii kupuna  
2 trust fund, may provide staffing for the board.

3 § -4 Hawaii kupuna trust fund advisory board. (a)

4 There is established a Hawaii kupuna trust fund advisory board  
5 under the department for administrative purposes.

6 (b) The board shall consist of seven members to be  
7 appointed as follows:

8 (1) One member shall be selected by the entity selected  
9 under section -2(a) to serve for a term of three  
10 years. This member may not serve more than two  
11 consecutive terms.

12 (2) Three members shall be appointed by the governor from  
13 a list of names of seven persons submitted by the  
14 entity selected under section -2(a). Each of  
15 these three members shall serve for a term of three  
16 years, except that the terms of the initial board  
17 members shall be staggered as follows: one member  
18 shall be appointed to a one-year term, one member  
19 shall be appointed to a two-year term, and one member  
20 shall be appointed to a three-year term. None of  
21 these three members shall serve for more than two  
22 consecutive terms.



1           (3) One member shall be appointed from among the members  
2                   of the senate by the president of the senate, to serve  
3                   until the expiration of the member's term in the  
4                   senate during which the member is appointed.

5           (4) One member shall be appointed from among the members  
6                   of the house of representatives by the speaker of the  
7                   house to serve until the expiration of the member's  
8                   term in the house of representatives during which the  
9                   member is appointed.

10          (5) One member shall be the director of the executive  
11                   office on aging or the director's designee.

12          (c) The Hawaii kupuna trust fund advisory board, in  
13                   collaboration with the department, shall make the final  
14                   recommendations to the entity selected under section     -2(a)  
15                   for the following activities:

16           (1) Grantmaking with private nonprofit organizations,  
17                   public agencies, or qualified individuals to provide  
18                   services and education designed to meet the  
19                   outstanding needs of the State's elderly;

20           (2) Grantmaking to raise community awareness of the trust  
21                   fund; and

22           (3) Administration of the trust fund.



1 (d) The kupuna trust fund advisory board, in collaboration  
2 with the department, shall develop a strategic plan for  
3 strengthening elderly and dependent adult care in the State.  
4 The strategic plan shall be in writing and shall be a public  
5 document. The advisory board shall also be responsible for the  
6 following:

- 7 (1) Assessing and determining the needs of the elderly and  
8 dependent adults unmet by current trust fund grants  
9 and fund expenditures;
- 10 (2) Developing policy, strategies, and plans for the fund;
- 11 (3) Soliciting public and private moneys for the fund;
- 12 (4) Promoting state wide planning for the prevention of  
13 elder abuse and neglect;
- 14 (5) Developing adequate standards and benchmarks by which  
15 measures of program success may be appropriately  
16 evaluated;
- 17 (6) Establishing criteria and guidelines for grantmaking;
- 18 (7) Advising the executive office on aging on matters  
19 involving elderly and dependent adult care and issues;  
20 and





1 (8) Facilitating the exchange of information between  
2 groups concerned with elderly and dependent adult  
3 issues.

4 § -7 **Grants.** Grants provided for elder assistance may  
5 include but are not limited to the following:

- 6 (1) Programs for the prevention of elder and dependent  
7 adult abuse;
- 8 (2) Programs for the prevention of financial exploitation  
9 of the elderly and dependent adults;
- 10 (3) Programs for the prevention of injuries sustained by  
11 the elderly and dependent adults falling;
- 12 (4) Programs for the assistance of the elderly and  
13 dependent adults in meeting transportation and  
14 mobility needs;
- 15 (5) Promotion of aging and disability resource centers;
- 16 (6) Training and education for professionals, including  
17 making information about the problems of elder abuse  
18 and neglect available to agencies dealing with these  
19 problems;
- 20 (7) General community education to increase the  
21 community's awareness of the needs of the elderly and



1 dependent adults, and of the issues of elder and  
 2 dependent adult abuse and neglect and its prevention;  
 3 (8) Research, evaluation, and advocacy activities related  
 4 to the prevention of elder and dependent adult abuse  
 5 and neglect; and  
 6 (9) The meeting of future needs of the elderly and  
 7 dependent adults, as determined by the Hawaii kupuna  
 8 trust fund advisory board in accordance with this  
 9 chapter."

10 SECTION 2. This Act shall take effect upon its approval.

11

INTRODUCED BY: *Franne Chun Oshiro*

*[Signature]*

*[Signature]*

*[Signature]*

*Will Eyer*



# S.B. NO. 107

**Report Title:**

Hawaii Kupuna Trust Fund

**Description:**

Creates the Hawaii kupuna trust fund, which comprises public and private funding for meeting the outstanding and future needs of the elderly and dependent adult population.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

