

JAN 25 2006

S.B. NO. 3214

A BILL FOR AN ACT

RELATING TO OFFICE OF THE LEGISLATIVE ANALYST.

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

1 SECTION 1. The legislature finds that, unlike most states,
2 the Hawaii legislature does not have a separate and independent
3 fiscal policy office to provide revenue and expenditure data and
4 analyses. This anomaly places the legislature at a distinct
5 disadvantage when reviewing the state executive budget, because
6 state budget data and analyses are generated by the entity being
7 reviewed -- the executive branch of the State.

8 The lack of budget data that is independently researched
9 and analyzed not only compromises the tenant of "separation of
10 powers" -- which requires a distinct separation of, and
11 independence by, the three branches of government, but it also
12 prevents the legislature from exercising its right to "check"
13 the executive branch with accurate and challenging data, to
14 "balance" the power of the three branches of state government.

15 The purpose of this Act is to provide the legislature with
16 the ability to generate its own budget data and analyses by
17 funding the dormant office of the legislative analyst. As a
18 first step, rather than fully funding the office as contemplated



1 by the law establishing the office, this Act only funds that
2 portion of the office necessary to monitor receipts and
3 expenditures of federal funds as it applies to the State;
4 provided that the appropriation may be increased in the future
5 to accommodate other duties of the office.

6 SECTION 2. Section 21F-7, Hawaii Revised Statutes, is
7 amended by amending subsection (a) to read as follows:

8 "(a) The purpose of the office of the legislative analyst
9 shall be:

- 10 (1) To provide the legislature with research and analysis
11 of current and projected state revenues and
12 expenditures;
- 13 (2) To provide the legislature with a report analyzing the
14 governor's proposed levels of revenue and expenditures
15 for biennial budgets submitted under chapter 37 as
16 well as other supplemental budget submittals to the
17 legislature by the governor;
- 18 (3) To provide an analysis of the impact of the governor's
19 proposed revenue and expenditure plans for the next
20 biennium;



- 1 (4) To conduct research matters of economic and fiscal
2 policy and to report to the legislature on the result
3 of the research;
- 4 (5) To provide economic reports and studies on the state
5 of the State's economy, including trends and forecasts
6 for consideration by the legislature;
- 7 (6) To conduct budget and tax studies and provide general
8 fiscal and budgetary information;
- 9 (7) To review and make recommendations on the operation of
10 state programs in order to appraise the implementation
11 of state laws regarding the expenditure of funds and
12 to recommend means of improving their efficiency;
13 [and]
- 14 (8) To recommend to the legislature changes in the mix of
15 revenue sources for programs, in the percentage of
16 state expenditures devoted to major programs, and in
17 the role of the legislature in overseeing state
18 government expenditures and revenue projections[-];
19 and
- 20 (9) To monitor the receipt and expenditures of federal
21 funds received by the State and to review and make



1 recommendations to the legislature regarding the
2 administration and efficacy of the expenditures."

3 SECTION 3. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$, or so much
5 thereof as may be necessary for fiscal year 2006-2007, for the
6 purpose of funding the office of legislative analyst established
7 under chapter 21-F, Hawaii Revised Statutes, for the sole
8 purpose of monitoring receipt and expenditures of federal funds
9 received by the State and reviewing and making recommendations
10 to the legislature regarding the administration and efficacy of
11 the expenditures.

12 SECTION 4. The sum appropriated shall be expended by the
13 legislature for the purposes of this Act.

14 SECTION 5. Statutory material to be repealed is bracketed
15 and stricken. New statutory material is underscored.

16 SECTION 6. This Act shall take effect upon its approval;
17 provided that sections 3 and 4 shall take effect on July 1,
18 2006.

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INTRODUCED BY: Maianne Chun Oshland

Randy H. Baker
Norman S. Sakuma

April J. Lee
Chris Hironaka
Charles Hironaka
Clemente S. Sistierra

Report Title:

Office of the Legislative Analyst; Appropriation

Description:

Funds the office of the legislative analyst only to the extent that the office monitor the receipt and expenditures of federal funds received by the State and to review and make recommendations to the legislature regarding the administration and efficacy of the expenditures.

