

---

---

## A BILL FOR AN ACT

RELATING TO APPROPRIATIONS.

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

1           SECTION 1. Section 37-74, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "**§37-74 Program execution.** (a) Except as limited by  
4 policy decisions of the governor, appropriations by the  
5 legislature, and other provisions of law, the several agencies  
6 responsible for administering state programs shall administer  
7 their program assignments and shall be responsible for their  
8 proper management.

9           (b) The appropriations by the legislature for a biennium  
10 shall be allocated between the two fiscal years of the biennium  
11 in the manner provided in the budget or appropriations act and  
12 as further prescribed by the director of finance. The amounts  
13 allocated for each fiscal year shall be subject to the allotment  
14 system prescribed in chapter 37, part II. Each agency (except  
15 the courts), in estimating its quarterly requirements under  
16 chapter 37, part II, shall prepare a plan for the fiscal year  
17 for the operation of each of the programs it is responsible for  
18 administering. The operations plan shall be in such form and



1 content as the department of budget and finance may prescribe.  
2 It shall be submitted, together with the estimated quarterly  
3 requirements, to the department of budget and finance on such  
4 date as the department may prescribe.

5 (c) The department of budget and finance shall:

6 (1) Review each operations plan to determine:

7 (A) That it is consistent with the policy decisions  
8 of the governor and appropriations by the  
9 legislature;

10 (B) That it reflects proper planning and efficient  
11 management methods; and

12 (C) That appropriations have been made for the  
13 planned purpose and will not be exhausted before  
14 the end of the fiscal year;

15 provided that the department of budget and finance  
16 shall review the operations plan submitted by the  
17 University of Hawaii solely for consistency with the  
18 allotment ceilings established by the governor under  
19 section 37-34, appropriations by the legislature, the  
20 requirements of chapter 37D, and the status of  
21 revenues to support operations plans for all state  
22 programs;



1           (2) Approve the operations plan if satisfied that it meets  
2           the requirements under paragraph (1). Otherwise, the  
3           department of budget and finance shall require  
4           revision of the operations plan in whole or in part;  
5           and

6           (3) Modify or withhold the planned expenditures at any  
7           time during the appropriation period if the department  
8           of budget and finance finds that the expenditures are  
9           greater than those necessary to execute the programs  
10          at the level authorized by the governor and the  
11          legislature, or that state receipts and surpluses will  
12          be insufficient to meet the authorized expenditure  
13          levels; provided that the planned expenditures for the  
14          University of Hawaii may be modified or withheld only  
15          in accordance with sections 37-36 and 37-37.

16          (d) No appropriation transfers or changes between programs  
17          or agencies shall be made without legislative authorization;  
18          provided that:

19           (1) Authorized transfers or changes, when made, shall be  
20           reported to the legislature;

21           (2) Except with respect to appropriations to fund  
22           financing agreements under chapter 37D, the University



1 of Hawaii shall have the flexibility to transfer  
2 appropriated funds and positions for the operating  
3 cost category among programs, among cost elements in a  
4 program, and between quarters, as applicable; except  
5 with respect to appropriations to fund financing  
6 agreements under chapter 37D, the department of  
7 education shall have the flexibility to transfer  
8 appropriated funds and positions for the operating  
9 cost category among programs and among cost elements  
10 in a program, and between quarters, as applicable; and  
11 the Hawaii health systems corporation and its regional  
12 system boards shall have the flexibility to transfer  
13 special fund appropriations among regional system  
14 hospital facilities as applicable and as mutually  
15 agreed to by the corporation and the respective  
16 regional system board; provided that the Hawaii health  
17 systems corporation and the regional system boards  
18 shall maintain the integrity and services of each  
19 individual regional system and shall not transfer  
20 appropriations out of any regional system that would  
21 result in a reduction of services offered by the  
22 regional system, with due regard for statutory



1 requirements, changing conditions, the needs of the  
2 programs, and the effective utilization of resources;  
3 and

4 (3) The university and the department of education shall  
5 account for each transfer implemented under this  
6 subsection in quarterly reports to the governor and  
7 annual reports at the end of each fiscal year to the  
8 legislature and the governor, which shall be prepared  
9 in the form and manner prescribed by the governor and  
10 shall include information on the sources and uses of  
11 the transfer.

12 (e) Appropriations made in all measures enacted into law  
13 by legislative override of a veto by the governor shall be  
14 released by the governor not later than ninety days after the  
15 veto is overridden by both houses of the legislature."

16 SECTION 2. New statutory material is underscored.

17 SECTION 3. This Act shall take effect on July 1, 2008.

18

INTRODUCED BY:

*John M. Thompson*  
*Paul Long*  
*Ray G. Harrison*  
*John M. ...*

**Report Title:**

Veto Override; State Funds

**Description:**

Requires funds for bills passed into law through veto override to be released within 90 days of passage.

