

JAN 17 2008

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

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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.

