

JAN 23 2009

A BILL FOR AN ACT

RELATING TO THE STATE BUDGET.

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

1 SECTION 1. The legislature finds that section 37-74(d),
2 Hawaii Revised Statutes, explicitly states that no appropriation
3 transfers or changes between programs or agencies shall be made
4 without legislative authorization, except for certain exempting
5 provisions relating to the University of Hawaii, the department
6 of education, and the Hawaii health systems corporation.
7 However, the administration has made appropriation transfers and
8 changes without legislative approval, including but not limited
9 to the tourism liaison, and reported these after-the-fact to the
10 legislature.

11 The purpose of this Act is to expressly restate, reiterate,
12 and declare that the intent of the legislature in enacting
13 section 37-74(d), Hawaii Revised Statutes, concerning
14 appropriation transfers or changes between programs and
15 agencies, is now and was originally that these transfers and
16 changes shall not be put into effect without legislative
17 approval.



1 SECTION 2. Section 37-74, Hawaii Revised Statutes, is
2 amended by amending subsection (d) to read as follows:

3 "(d) No appropriation transfers or changes between
4 programs or agencies shall be made without prior legislative
5 authorization; provided that:

6 (1) [~~Authorized transfers~~] Transfers or changes, when
7 [~~made,~~] proposed, shall be reported to the
8 legislature[+] and shall not be put into effect until
9 approved by the chairs of the money committees of both
10 houses of the legislature;

11 (2) Except with respect to appropriations to fund
12 financing agreements under chapter 37D, the University
13 of Hawaii shall have the flexibility to transfer
14 appropriated funds and positions for the operating
15 cost category among programs, among cost elements in a
16 program, and between quarters, as applicable; except
17 with respect to appropriations to fund financing
18 agreements under chapter 37D, the department of
19 education shall have the flexibility to transfer
20 appropriated funds and positions for the operating
21 cost category among programs and among cost elements
22 in a program, and between quarters, as applicable; and



1 the Hawaii health systems corporation and its regional
2 system boards shall have the flexibility to transfer
3 special fund appropriations among regional system
4 hospital facilities as applicable and as mutually
5 agreed to by the corporation and the respective
6 regional system board; provided that the Hawaii health
7 systems corporation and the regional system boards
8 shall maintain the integrity and services of each
9 individual regional system and shall not transfer
10 appropriations out of any regional system that would
11 result in a reduction of services offered by the
12 regional system, with due regard for statutory
13 requirements, changing conditions, the needs of the
14 programs, and the effective utilization of resources;
15 and

- 16 (3) The university and the department of education shall
17 account for each transfer implemented under this
18 subsection in quarterly reports to the governor and
19 annual reports at the end of each fiscal year to the
20 legislature and the governor, which shall be prepared
21 in the form and manner prescribed by the governor and



1 shall include information on the sources and uses of
2 the transfer."

3 SECTION 3. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 4. This Act shall take effect upon its approval.

6

INTRODUCED BY: 



Report Title:

State Budget; Program Execution

Description:

Reiterates the legislature's intent that appropriation transfers or changes between programs and agencies be made only pursuant to legislative authorization.

