

TESTIMONY BY GEORGINA K. KAWAMURA
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STATE OF HAWAII
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 1364

February 27, 2009

RELATING TO THE BUDGET

House Bill No. 1364 amends Chapter 37, Hawaii Revised Statutes, by adding a new section to require the Governor or the Director of Finance to report each restriction of appropriations to the Legislature no later than 30 days after the end of each quarter. Failure of the Governor or the Director of Finance to submit the report will result in the immediate release of the restricted appropriations.

We have concerns with this bill. We currently provide information that is posted on our website and published in local newspapers regarding the release of funds from grants and specific appropriations. This additional report seems unnecessary.

However, our greater concern is how Subsection (C) on page 2 will work. According to Article VII, Section 5 of the State Constitution, and Section 37-37, Hawaii Revised Statutes, the Governor is responsible to ensure that the general fund is balanced and has the final authority on releasing appropriations. Thus, it is unclear how funds can be immediately released without the Governor's approval.