

SB 646

WRITTEN ONLY

TESTIMONY BY GEORGINA K. KAWAMURA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
SENATE BILL NO. 646

February 5, 2009

RELATING TO PUBLIC ACCOUNTABILITY

Senate Bill No. 646 amends Section 37-74 (a), Hawaii Revised Statutes, to require the Governor to explain, in writing, all policy decisions to reduce or limit appropriations approved by the Legislature.

We are opposed to this bill. Administratively, it may be difficult to implement this bill because of the number and timing of decisions that are made to reduce or limit appropriations. The Executive budget alone consists of over 500 appropriation accounts. Decisions may be made at the beginning of the fiscal year, quarterly, and as needed throughout the fiscal year. Decisions may be made involving a single appropriation, one or more programs, or one or more departments.

In addition, it is noted that there appears to be typographical error in the last sentence of Section 1 of the bill. The word "after" or other clarifying word is missing between "no later than ten days" and "the effective date of the applicable policy decision."



EXECUTIVE CHAMBERS
HONOLULU

LINDA LINGLE
GOVERNOR

Testimony of
Barry Fukunaga
Chief of Staff to the Governor

Before the
SENATE COMMITTEE ON WAYS AND MEANS
Thursday, February 5, 2009, 9:30 a.m.
Room 211, State Capitol

S.B. 646 RELATING TO PUBLIC ACCOUNTABILITY

Chair Mercado Kim, Vice Chair Tsutsui, and members of the Committee, thank you for the opportunity to provide testimony on S.B. 646. The Office of the Governor **opposes** this bill, which requires the Governor to explain in writing to the Legislature all decisions to reduce or limit appropriations within ten days of the reduction decision.

It is the responsibility of the Governor to ensure that the budget is balanced and expenditures are made prudently. Especially in light of the current fiscal situation, significant reductions have been made to amounts appropriated to the Executive Branch for fiscal year 2008-2009 by the previous Legislature. Whether these are across-the-board reductions or program-related reductions, limits are being put in place with the budget deficit in mind.

Requiring all appropriation reduction decisions to be explained within ten days of the decision will not provide an accurate or complete picture of the overall funding for programs and departments. Especially in cases when appropriations may be reduced or limited, but substituted with another method of funding in the following months, submitting written explanations immediately following reductions will only create confusion or misunderstanding.

On an annual basis, the Department of Budget and Finance provides the Legislature with a Budget-in-Brief, which provides a complete and accurate picture of the State's funding and expenditures. Requiring the explanation of budget decisions on an ad-hoc basis will only create confusion and complicate the budgeting process. As a result, the Office of the Governor must oppose S.B. 646.

Gina Williams

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 03, 2009 7:55 PM
To: WAM Testimony
Cc: sethlahne@gmail.com
Subject: Testimony for SB646 on 2/5/2009 9:30:00 AM
Attachments: sb646 testimony.pdf

Testimony for WAM 2/5/2009 9:30:00 AM SB646

Conference room: 211
Testifier position: support
Testifier will be present: Yes
Submitted by: Seth Corpuz-Lahne
Organization: Individual
Address:
Phone:
E-mail: sethlahne@gmail.com
Submitted on: 2/3/2009

Comments:

To: Senator Donna Mercado Kim, Chair
Senator Shan Tsutsui, Vice Chair
Senate Committee on Ways and Means

From: Seth Corpuz-Lahne

RE: Support for SB 646, Relating to Public Accountability

Hearing: Thursday February 5, 2009
Conference Room 211
9:30 AM

Chair Mercado Kim, Vice-Chair Tsutsui, members of the committee on Ways and Means, thank you for this opportunity to testify in support of SB 646. Under the current law the Governor may reduce or limit appropriations in the budget bill, and not give an explanation as to why the expenditure is being cut. It is important to the people of Hawaii, their Legislature, and the integrity of the budget process that the Governor's reasons for not funding a program included in the budget be public knowledge. Solutions can be found to address funding shortfalls, but the current state affairs amounts to a line item veto that cannot be overridden. I ask for the committee's support of this important bill, SB 646, Relating to Public Accountability, so that the Legislature will be better informed of the Governor's reasons and intentions behind reducing or limiting appropriations, thank you.

Kaaumoana
POB 1205
Kilauea, HI
96754

February 4, 2009

Testimony in Support Re: SB 646
Hearing: WAM Rm. # 211; 9:30 am, February 5, 2009

Aloha,

As a community advocate for sunshine and transparency I strongly support this bill. In order for the public to engage and take responsibility for our kuleana, we must be well informed. This is the foundation of our government.

SB 646 will brighten the sunshine on the process and support all our efforts to address the needs of Hawaii's land and people.

Mahalo for your passage of this bill.

Me ka pono,



Makaala Kaaumoana