

S .B. NO. 1271

JAN 26 2011

A BILL FOR AN ACT

RELATING TO THE PUBLIC NOTICES FOR THE EXPENDITURE CEILING AND
THE AWARDING OF GRANTS.

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

1 SECTION 1. The State is continuously reviewing ways to
2 develop more efficient and cost-effective means of operation.
3 Developing a more streamlined, consistent, and cost-effective
4 means of reporting information to the public is one such way
5 that would clearly be in the public interest.

6 SECTION 2. Section 37-94, Hawaii Revised Statutes, is
7 amended to read as follows:

8 "**§37-94 Director of finance; duties.** A preliminary
9 estimate of the state growth and expenditure ceiling shall be
10 determined by the director of finance as of August 15 of each
11 year. The final estimate of the state growth and expenditure
12 ceiling to be used by the legislature to make appropriations
13 from the general fund in each year shall be determined by the
14 director of finance as of November 15 of each year. Upon the
15 determination of both the preliminary estimate and the final
16 estimate of the state growth and expenditure ceiling, the
17 director shall inform the governor, chief justice, and the
18 legislature, and shall give [~~, twice in successive weeks~~]
19 statewide public notice of the state growth and expenditure

1 ceiling and the maximum dollar amount that may be appropriated
2 from the general fund. Notwithstanding the requirements of
3 section 1-28.5, the notice may be given by using one or more of
4 the following methods:

- 5 (1) Posting on the State of Hawaii, department of budget
6 and finance internet website;
7 (2) Publication in a daily or weekly publication of
8 statewide circulation; or
9 (3) Any other method the director of finance deems
10 effective for publicizing the notice."

11 SECTION 3. Section 42F-107, Hawaii Revised Statutes, is
12 amended to read as follows:

13 "~~§~~**42F-107**~~§~~ **Grants; release by the governor.** If a
14 grant awarded by the legislature pursuant to this chapter is not
15 allocated or released by the governor within ninety days of the
16 effective date of the legislation awarding the grant, the
17 governor or the director of finance shall notify~~[, in the manner~~
18 ~~prescribed in section 1-28.5,]~~ the recipient of the unreleased
19 grant on the status of whether the grant is still pending or
20 will not be released. The governor or the director of finance
21 shall provide the notice once every quarterly allotment period
22 (as the periods are defined in section 37-32), beginning on the
23 ninety-first day after the effective date of the legislation
24 awarding the grant and until a final determination is made on

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1 the status of the grant. Notwithstanding the requirements of
2 section 1-28.5, the notice may be given by using one or more of
3 the following methods:

4 (1) Posting on the State of Hawaii, office of the governor
5 or the department of budget and finance internet
6 website;

7 (2) Publication in a daily or weekly publication of
8 statewide circulation; or

9 (3) Any other method the governor or director of finance
10 deems effective for publicizing the notice."

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

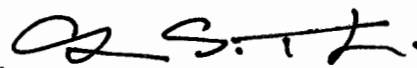
13 SECTION 5. This Act shall take effect upon its approval.

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INTRODUCED BY:



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BY REQUEST

Report Title:

Expenditure Ceiling; Grants and Subsidies

Description:

Clarifies the type of public notice required for reporting the state growth rate and expenditure ceiling and the release of grants.

JUSTIFICATION SHEET

DEPARTMENT: Budget and Finance

TITLE: A BILL FOR AN ACT RELATING TO THE PUBLIC NOTICES FOR THE EXPENDITURE CEILING AND THE AWARDING OF GRANTS.

PURPOSE: The purpose of this bill is to develop a more efficient and cost-effective means of providing expenditure ceiling and status of grant information to the public.

MEANS: Amend sections 37-94 and 42F-107, Hawaii Revised Statutes (HRS).

JUSTIFICATION: Currently, section 37-94 requires the Director of Finance to give, twice in successive weeks, statewide public notice of the State growth and expenditure ceiling. The public notice is published in the Honolulu Star-Advertiser and newspapers on each island.

In addition, section 42F-107 requires the Governor to report the status of unreleased grants once every quarterly allotment period in the manner prescribed by section 1-28.5, HRS. Section 1-28.5 requires the public notice to be published statewide in a daily or weekly publication of statewide circulation or by publication in separate daily or weekly publications whose combined circulation is statewide. Additional supplemental notice may also be given through Hawaii FYI. In practice, the Governor has delegated the reporting of the status of grants to the Director of Finance.

Currently, the cost of publishing these public notices in the newspaper totals \$6,000 a fiscal year. It would be more cost effective if the Director of Finance were allowed to report the information on the Department of Budget and Finance's website.

If necessary, notification of the availability of the information on the department's website could be published in the newspapers. This would reduce the cost of publishing the public notice. In addition, having the information available on the department's website may make the information more conveniently accessible to a wider audience.

This bill would also amend section 42F-107, HRS, to allow the Director of Finance or the Governor to report the grant information.

Impact on the public: This bill will reduce the expenditure of taxpayer dollars, while still providing for thorough, adequate reporting of required information.

Impact on the department and other agencies: This bill will reduce the department's unnecessary expenditure of taxpayer dollars.

GENERAL FUND:	None.
OTHER FUNDS:	None.
PPBS PROGRAM DESIGNATION:	BUF 101.
OTHER AFFECTED AGENCIES:	None.
EFFECTIVE DATE:	Upon approval.