
A BILL FOR AN ACT

RELATING TO MANAGEMENT OF STATE FUNDS.

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

1 SECTION 1. Section 36-2.5, Hawaii Revised Statutes, is
2 amended as follows:

3 1. By amending subsection (b) to read:

4 "(b) Not later than January 1, ~~[2009]~~ 2013, the
5 ~~[department of budget and finance, in accordance with this~~
6 ~~section]~~ chief information officer, as established under
7 section 27-43, shall establish, implement, and maintain a single
8 searchable website, accessible by the public at no cost, that
9 includes for each state award:

- 10 (1) The name of the entity receiving the award;
- 11 (2) The amount of the award;
- 12 (3) Information on the award, including transaction type,
13 funding agency, program source, and an award title
14 descriptive of the purpose of each funding action;
- 15 (4) The full address of the entity receiving the award and
16 the primary location of performance under the award;



1 (5) A unique identifier of the entity receiving the award
2 and of the parent entity of the recipient, if the
3 entity is owned by another entity; and

4 (6) Any other relevant information specified by the
5 department of budget and finance.

6 The website shall include data for fiscal year ~~[2008]~~ 2012
7 and each fiscal year thereafter.

8 The ~~[director of finance]~~ chief information officer is
9 authorized to designate one or more state agencies to
10 participate in the development, establishment, maintenance, and
11 support of the website; provided that the department of
12 accounting and general services, in collaboration with the
13 department of budget and finance, is responsible for collecting
14 and posting on the website, the information that is required by
15 this subsection. In the initial designation, or in subsequent
16 instructions and guidance, the ~~[director]~~ chief information
17 officer may specify the scope of the responsibilities of each
18 agency.

19 State agencies shall comply with the instructions and
20 guidance issued by the ~~[director of finance]~~ chief information
21 officer and shall provide appropriate assistance to the
22 ~~[director]~~ chief information officer upon request, so as to

1 assist the [~~director~~] chief information officer in ensuring the
2 existence and operation of the website."

3 2. By amending subsections (d) through (h) to read:

4 "(d) Not later than [~~July 1, 2008,~~] January 1, 2014, the
5 [~~director of finance~~] chief information officer shall establish
6 and implement a pilot program to:

7 (1) Test the collection and accession of data about
8 subgrants and subcontracts; and

9 (2) Determine how to implement a subaward reporting
10 program across the State, including:

11 (A) A reporting system under which the entity issuing
12 a subgrant or subcontract is responsible for
13 fulfilling the subaward reporting requirement;
14 and

15 (B) A mechanism for collecting and incorporating
16 agency and public feedback on the design and
17 utility of the website.

18 The pilot program shall terminate not later than
19 [~~January 1, 2010,~~] July 1, 2015.

20 (e) Based on the pilot program, not later than [~~January 1,~~
21 ~~2010,~~] July 1, 2015, the [~~director of finance,~~] chief
22 information officer:



- 1 (1) Shall ensure that data regarding subawards are
- 2 disclosed in the same manner as data regarding other
- 3 state awards; and
- 4 (2) Shall ensure that the method for collecting and
- 5 distributing data about subawards:
- 6 (A) Minimizes burdens imposed on state award
- 7 recipients and subaward recipients;
- 8 (B) Allows state award recipients and subaward
- 9 recipients to allocate reasonable costs for the
- 10 collection and reporting of subaward data as
- 11 indirect costs; and
- 12 (C) Establishes cost-effective requirements for
- 13 collecting subaward data under block grants,
- 14 formula grants, and other types of assistance to
- 15 local governments.

16 For subaward recipients that receive state funds through
17 county governments, the [~~director of finance~~] chief information
18 officer may extend the deadline for ensuring that data regarding
19 such subawards are disclosed in the same manner as data
20 regarding other state awards for a period not to exceed eighteen
21 months, if the [~~director~~] chief information officer determines

1 that compliance would impose an undue burden on the subaward
2 recipient.

3 (f) Any entity that demonstrates to the [~~director of~~
4 ~~finance~~] chief information officer that the gross income, from
5 all sources, for the entity did not exceed \$300,000 in the
6 previous tax year of that entity shall be exempt from the
7 requirement to report subawards under subsection (d), until the
8 [~~director~~] chief information officer determines that the
9 imposition of such reporting requirements will not cause an
10 undue burden on the entity.

11 (g) Nothing in this section shall prohibit the [~~department~~
12 ~~of budget and finance~~] chief information officer from including,
13 through the website established under this section, access to
14 data that is publicly available in any other state database.

15 (h) The [~~director of finance~~] chief information officer
16 shall submit to the legislature, not later than twenty days
17 prior to the convening of each regular session, an annual report
18 regarding the website established under this section.

19 [Each] The report shall include:

20 (1) Data regarding the usage and public feedback on the
21 utility of the site (including recommendations for
22 improving data quality and collection);



1 (2) An assessment of the reporting burden placed on state
2 award and subaward recipients; and

3 (3) An explanation of any extension of the subaward
4 reporting deadline, if applicable.

5 The [~~director of finance~~] chief information officer shall
6 make each report publicly available on the website established
7 under this section."

8 SECTION 2. Statutory material to be repealed is bracketed
9 and stricken. New statutory material is underscored.

10 SECTION 3. This Act shall take effect upon its approval.



Report Title:

State Funds; State Awards; Subawards Reporting

Description:

Clarifies that it is the responsibility of the chief information officer to establish, implement, and maintain a searchable website for state awards. Updates deadlines for the chief information officer to establish accessible searchable websites and implement a pilot program on data collection and subawards reporting. (SD2)

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