

JAN 17 2014

A BILL FOR AN ACT

RELATING TO THE BUDGET.

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

1 SECTION 1. Section 37-74, Hawaii Revised Statutes, is
2 amended by amending subsections (b) to (d) to read as follows:
3 "(b) The appropriations by the legislature for a biennium
4 shall be allocated between the two fiscal years of the biennium
5 in the manner provided in the budget or appropriations act and
6 as further prescribed by the director of finance. The amounts
7 allocated for each fiscal year shall be subject to the allotment
8 system prescribed in chapter 37, part II. Each agency (except
9 the courts), in estimating its quarterly requirements under
10 chapter 37, part II, shall prepare a plan for the fiscal year
11 for the operation of each of the programs it is responsible for
12 administering. The operations plan shall be in such form and
13 content as the department of budget and finance may prescribe.
14 It shall be submitted, together with the estimated quarterly
15 requirements, to the department of budget and finance on such
16 date as the department may prescribe.

17 (c) The department of budget and finance shall:

18 (1) Review each operations plan to determine:



1 (A) That it is consistent with the policy decisions
2 of the governor and appropriations by the
3 legislature;

4 (B) That it reflects proper planning and efficient
5 management methods; and

6 (C) That appropriations have been made for the
7 planned purpose and will not be exhausted before
8 the end of the fiscal year;

9 ~~[provided that the department of budget and finance
10 shall review the operations plan submitted by the
11 University of Hawaii solely for consistency with the
12 allotment ceilings established by the governor under
13 section 37-34, appropriations by the legislature, the
14 requirements of chapter 37D, and the status of
15 revenues to support operations plans for all state
16 programs;]~~

17 (2) Approve the operations plan if satisfied that it meets
18 the requirements under paragraph (1). Otherwise, the
19 department of budget and finance shall require
20 revision of the operations plan in whole or in part;
21 and



1 (3) Modify or withhold the planned expenditures at any
2 time during the appropriation period if the department
3 of budget and finance finds that the expenditures are
4 greater than those necessary to execute the programs
5 at the level authorized by the governor and the
6 legislature, or that state receipts and surpluses will
7 be insufficient to meet the authorized expenditure
8 levels [~~; provided that the planned expenditures for~~
9 ~~the University of Hawaii may be modified or withheld~~
10 ~~only in accordance with sections 37-36 and 37-37].~~

11 (d) No appropriation transfers or changes between programs
12 or agencies shall be made without legislative authorization;
13 provided that:

14 (1) Authorized transfers or changes, when made, shall be
15 reported to the legislature;

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



1 agreements under chapter 37D, the department of
2 education shall have the flexibility to transfer
3 appropriated funds and positions for the operating
4 cost category among programs and among cost elements
5 in a program, and between quarters, as applicable; and
6 the Hawaii health systems corporation and its regional
7 system boards shall have the flexibility to transfer
8 special fund appropriations among regional system
9 hospital facilities as applicable and as mutually
10 agreed to by the corporation and the respective
11 regional system board; provided that the Hawaii health
12 systems corporation and the regional system boards
13 shall maintain the integrity and services of each
14 individual regional system and shall not transfer
15 appropriations out of any regional system that would
16 result in a reduction of services offered by the
17 regional system, with due regard for statutory
18 requirements, changing conditions, the needs of the
19 programs, and the effective utilization of resources;
20 and

21 (3) The [~~university and the~~] department of education shall
22 account for each transfer implemented under this



1 subsection in quarterly reports to the governor and
2 annual reports at the end of each fiscal year to the
3 legislature and the governor, which shall be prepared
4 in the form and manner prescribed by the governor and
5 shall include information on the sources and uses of
6 the transfer."

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

9 SECTION 3. This Act shall take effect on July 1, 2014.

10

INTRODUCED BY: 



S.B. NO. 2552

Report Title:

UH; Budget; Program Execution; Exceptions; Repeal

Description:

Removes program execution exceptions provisions that are specific to the University of Hawaii.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

