
A BILL FOR AN ACT

RELATING TO THE BUDGET.

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

1 SECTION 1. The legislature finds that laws relating to the
2 budgetary process involving state funds are laws of statewide
3 concern.

4 SECTION 2. Section 37-74, Hawaii Revised Statutes, is
5 amended by amending subsections (c) and (d) to read as follows:

6 "(c) The department of budget and finance shall:

7 (1) Review each operations plan to determine:

8 (A) That it is consistent with the policy decisions
9 of the governor and appropriations by the
10 legislature;

11 (B) That it reflects proper planning and efficient
12 management methods; and

13 (C) That appropriations have been made for the
14 planned purpose and will not be exhausted before
15 the end of the fiscal year;

16 ~~[provided that the department of budget and finance~~

17 ~~shall review the operations plan submitted by the~~

18 ~~University of Hawaii solely for consistency with the~~



1 ~~allotment ceilings established by the governor under~~
2 ~~section 37-34, appropriations by the legislature, the~~
3 ~~requirements of chapter 37D, and the status of~~
4 ~~revenues to support operations plans for all state~~
5 ~~programs;]~~

6 (2) Approve the operations plan if satisfied that it meets
7 the requirements under paragraph (1). Otherwise, the
8 department of budget and finance shall require
9 revision of the operations plan in whole or in part;
10 and

11 (3) Modify or withhold the planned expenditures at any
12 time during the appropriation period if the department
13 of budget and finance finds that the expenditures are
14 greater than those necessary to execute the programs
15 at the level authorized by the governor and the
16 legislature, or that state receipts and surpluses will
17 be insufficient to meet the authorized expenditure
18 levels [~~; provided that the planned expenditures for~~
19 ~~the University of Hawaii may be modified or withheld~~
20 ~~only in accordance with sections 37-36 and 37-37].~~



1 (d) No appropriation transfers or changes between programs
2 or agencies shall be made without legislative authorization;
3 provided that:

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

6 (2) Except [~~with respect to appropriations to fund~~
7 ~~financing agreements under chapter 37D, the University~~
8 ~~of Hawaii shall have the flexibility to transfer~~
9 ~~appropriated funds and positions for the operating~~
10 ~~cost category among programs, among cost elements in a~~
11 ~~program, and between quarters, as applicable; except]~~
12 with respect to appropriations to fund financing
13 agreements under chapter 37D, the department of
14 education shall have the flexibility to transfer
15 appropriated funds and positions for the operating
16 cost category among programs and among cost elements
17 in a program, and between quarters, as applicable; and
18 the Hawaii health systems corporation and its regional
19 system boards shall have the flexibility to transfer
20 special fund appropriations among regional system
21 hospital facilities as applicable and as mutually
22 agreed to by the corporation and the respective



1 regional system board; provided that the Hawaii health
2 systems corporation and the regional system boards
3 shall maintain the integrity and services of each
4 individual regional system and shall not transfer
5 appropriations out of any regional system that would
6 result in a reduction of services offered by the
7 regional system, with due regard for statutory
8 requirements, changing conditions, the needs of the
9 programs, and the effective utilization of resources;
10 and

11 (3) The [~~university and the~~] department of education shall
12 account for each transfer implemented under this
13 subsection in quarterly reports to the governor and
14 annual reports at the end of each fiscal year to the
15 legislature and the governor, which shall be prepared
16 in the form and manner prescribed by the governor and
17 shall include information on the sources and uses of
18 the transfer."

19 SECTION 3. Statutory material to be repealed is bracketed
20 and stricken.

21 SECTION 4. This Act shall take effect on July 1, 2014.



Report Title:

UH; Budget; Program Execution; Exceptions; Repeal

Description:

Removes program execution exceptions that are specific to the University of Hawaii. (SD1)

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