
A BILL FOR AN ACT

RELATING TO FUNDING.

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

1 SECTION 1. The legislature finds that special and
2 revolving funds lack structured and uniform safeguards to ensure
3 the fiscal accountability of all financial activities undertaken
4 by the fund. The legislature further finds that the long-term
5 accountability and fiscally responsible practices of each
6 special or revolving fund would result from a requirement for
7 each special and revolving fund to submit a report detailing
8 financial activities undertaken by the fund over the preceding
9 year to the department of budget and finance, which would make
10 an electronic copy of each submitted report available for
11 legislative review.

12 Accordingly, the purpose of this Act is to require:

13 (1) The expending agency of each special and revolving
14 fund to submit a detailed report on financial
15 activities of the fund over the preceding year to the
16 department of budget and finance prior to the
17 convening of each regular session of the legislature;
18 and



1 (2) The department of budget and finance to make an
2 electronic copy of each fund's report available for
3 legislative review on the department's website prior
4 to the convening of each regular session of the
5 legislature.

6 SECTION 2. Chapter 36, Hawaii Revised Statutes, is amended
7 by adding a new section to be appropriately designated and to
8 read as follows:

9 "§36- Report of financial activities. (a) The
10 expending agency of each special or revolving fund shall submit
11 a report of financial activities of the preceding fiscal year to
12 the department of budget and finance no later than sixty days
13 prior to the convening of each regular session of the
14 legislature. The report shall provide detailed itemization of
15 each of the following items:

16 (1) Revenue and sources of revenue generated by the fund
17 over the preceding fiscal year;

18 (2) Expenditures and purpose of expenditures from the fund
19 over the preceding fiscal year;

20 (3) Any unencumbered balance, if any, of the fund as of
21 the end of the preceding fiscal year;



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(4) The amount of monies from the fund, if any, expended during the previous fiscal year to compensate or fully or partially fund any position and the corresponding position title; and
(5) Detailed proposals or economic analyses for future projects requiring additional expenditures from the fund, if applicable.

(b) The requirements of the annual report established in subsection (a) shall be satisfied independently and in addition to other existing reporting or accounting requirements for which the expending agency of the fund or any other agency is responsible.

(c) The department of budget and finance shall make an electronic copy of each report available for review on the department's website no later than twenty days prior to the convening of each regular session of the legislature."

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2015.

Report Title:

Special Funds; Revolving Funds; Department of Budget and Finance; Reporting; Fiscal Accountability

Description:

Requires the expending agency of each special and revolving fund to submit a report detailing financial activities of the preceding fiscal year to the department of budget and finance no later than sixty days prior to the convening of each regular session of the legislature. Requires the department of budget and finance to make an electronic copy of each report available for review on the department's website no later than twenty days prior to the convening of each regular session of the legislature. (Proposed SD1)

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