A BILL FOR AN ACT

RELATING TO GRANTS.

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

- 1 SECTION 1. Chapter 42F, Hawaii Revised Statutes, is
- 2 amended by adding two new sections to be appropriately
- 3 designated and to read as follows:
- 4 "§42F- Expending agency delegation. (a) With the
- 5 approval of the governor, the designated expending agency for a
- 6 grant may delegate its expending authority to a different agency
- 7 when it is determined advantageous to do so by both the original
- 8 expending agency and the agency to which the expending authority
- 9 is to be delegated; provided that the grant recipient consents
- 10 in advance to the transfer of expending authority.
- (b) The governor shall notify the legislature within five
- 12 days of any delegation of expending authority approved pursuant
- 13 to this section.
- 14 §42F- Report to the legislature. Beginning with the
- 15 regular session of 2019, the department of budget and finance
- 16 shall submit an annual report to the legislature no later than
- 17 twenty days prior to the start of each regular session regarding



| 1 | the status of all grants awarded by the legislature during the |
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| 2 | previous fiscal year, and grants awarded in prior fiscal years |
| 3 | that are still pending completion. The report shall include the |
| 4 | following: |
| 5 | (1) The status of each grant, including whether: |
| 6 | (A) Funds have been released by the governor; |
| 7 | (B) Contracts have been executed by the expending |
| 8 | agency assigned to each grant; and |
| 9 | (C) Funds have been received by the recipient; and |
| 10 | (2) For grants that have not been released, whether the |
| 11 | release of funds is pending or the funds will not be |
| 12 | released and the reasons for the grant's status." |
| 13 | SECTION 2. Section 42F-107, Hawaii Revised Statutes, is |
| 14 | repealed. |
| 15 | ["[§42F-107] Grants; release by the governor. If a grant |
| 16 | awarded by the legislature pursuant to this chapter is not |
| 17 | allocated or released by the governor within ninety days of the |
| 18 | effective date of the legislation awarding the grant, the |
| 19 | governor shall notify, in the manner prescribed in section 1 |
| 20 | 28.5, the recipient of the unreleased grant on the status of |
| 21 | whether the grant is still pending or will not be released. Th |

- 1 governor shall provide the notice once every quarterly allotment
- 2 period (as the periods are defined in section 37-32), beginning
- 3 on the ninety-first day after the effective date of the
- 4 legislation awarding the grant and until a final determination
- 5 is made on the status of the grant."]
- 6 SECTION 3. Statutory material to be repealed is bracketed
- 7 and stricken. New statutory material is underscored.
- 8 SECTION 4. This Act shall take effect upon its approval.

Report Title:

Grants; Governor; Notification; Delegation of Expenditure Authority; Report; Budget and Finance

Description:

Authorizes expending agencies of grants to delegate their expending authority to a different agency, subject to approval of the recipient and Governor. Requires the Department of Budget and Finance to submit an annual report on the status of awarded and pending grants. Repeals the requirement that the Governor notify a grant recipient on grant status if grant funds are not released within ninety days. (SD1)

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