

JAN 24 2019

A BILL FOR AN ACT

RELATING TO PUBLIC NOTICES.

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

1 SECTION 1. The State is continuously reviewing ways to
2 develop more efficient and cost-effective means of operation.
3 Developing a more streamlined, consistent, and cost-effective
4 means of reporting information to the public is one such way
5 that would clearly be in the public interest.

6 SECTION 2. Section 37-37, Hawaii Revised Statutes, is
7 amended by amending subsection (b) to read as follows:

8 "(b) For the University of Hawaii, when the director of
9 finance determines at any time that the probable receipts from
10 taxes or any other sources for any appropriation will be less
11 than was anticipated, and that consequently the amount available
12 for the remainder of the term of the appropriation or for any
13 allotment period will be less than the amount estimated or
14 allotted therefor, the director shall advise the governor of the
15 situation, and the governor shall redetermine the allotment
16 ceiling for the affected source or sources of funding pursuant
17 to section 37-34, and shall advise the university [~~and~~]. The
18 governor or the director of finance shall make a public
19 declaration ten days prior to the effective date of the

1 redetermination. The public declaration may be made by using
2 one or more of the following methods:

- 3 (1) Posting on the State of Hawaii office of the governor
4 or department of budget and finance internet website;
5 (2) Publication in a daily or weekly publication of
6 statewide circulation; or
7 (3) Any other method the governor or the director of
8 finance deems effective for publicizing the notice.

9 The university, not more than twenty days after the
10 governor's notification, shall submit revised estimates
11 consistent with the governor's redetermination to the director
12 of finance. Otherwise, the director of finance shall modify,
13 amend, or reduce any allotment of the university to comply with
14 the governor's redetermination; provided that no reduction shall
15 reduce any allotted amount below the amount required to meet
16 valid obligations or commitments previously incurred against the
17 allotted funds."

18 SECTION 3. Section 37-94, Hawaii Revised Statutes, is
19 amended to read as follows:

20 "**§37-94 Director of finance; duties.** A preliminary
21 estimate of the state growth and expenditure ceiling shall be
22 determined by the director of finance as of August 15 of each
23 year. The final estimate of the state growth and expenditure
24 ceiling to be used by the legislature to make appropriations
25 from the general fund in each year shall be determined by the

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1 director of finance as of November 15 of each year. Upon the
2 determination of both the preliminary estimate and the final
3 estimate of the state growth and expenditure ceiling, the
4 director shall inform the governor, chief justice, and the
5 legislature, and shall give [~~twice in successive weeks~~]
6 statewide public notice of the state growth and expenditure
7 ceiling and the maximum dollar amount that may be appropriated
8 from the general fund. The notice may be given by using one or
9 more of the following methods:

- 10 (1) Posting on the State of Hawaii department of budget
11 and finance internet website;
12 (2) Publication in a daily or weekly publication of
13 statewide circulation; or
14 (3) Any other method the director of finance deems
15 effective for publicizing the notice."

16 SECTION 4. Section 42F-107, Hawaii Revised Statutes, is
17 amended to read as follows:

18 "[~~42F-107~~] **Grants; release by the governor.** If a
19 grant awarded by the legislature pursuant to this chapter is not
20 allocated or released by the governor within ninety days of the
21 effective date of the legislation awarding the grant, the
22 governor or the director of finance shall notify [~~in the manner~~
23 ~~prescribed in section 1-28.5,~~] the recipient of the unreleased
24 grant on the status of whether the grant is still pending or
25 will not be released. The governor or the director of finance

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1 shall provide the notice once every quarterly allotment period
2 (as the periods are defined in section 37-32), beginning on the
3 ninety-first day after the effective date of the legislation
4 awarding the grant and until a final determination is made on
5 the status of the grant. The notice may be given by using one
6 or more of the following methods:

- 7 (1) Posting on the State of Hawaii office of the governor
8 or department of budget and finance internet website;
9 (2) Publication in a daily or weekly publication of
10 statewide circulation; or
11 (3) Any other method the governor or director of finance
12 deems effective for publicizing the notice."

13 SECTION 4. Statutory material to be repealed is bracketed
14 and stricken. New statutory material is underscored.

15 SECTION 5. This Act shall take effect upon its approval.

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INTRODUCED BY: 
BY REQUEST

S.B. NO. 1208

Report Title:

University of Hawaii; Expenditure Ceiling; Grants

Description:

Clarifies the type of public notice required for reporting the redetermination of the University of Hawaii's allotment ceiling, the state growth rate and expenditure ceiling, and the release of grants.

JUSTIFICATION SHEET

DEPARTMENT: Budget and Finance

TITLE: A BILL FOR AN ACT RELATING TO PUBLIC NOTICES.

PURPOSE: The purpose of this bill is to develop a more efficient and cost-effective means of providing information to the public regarding: (1) changes to the University of Hawaii's allotment ceiling, (2) the State's expenditure ceiling, and (3) the status of grants.

MEANS: Amend sections 37-37(b), 37-94, and 42F-107, Hawaii Revised Statutes (HRS).

JUSTIFICATION: Currently, section 37-37 provides that the Governor must make a public declaration when redetermining the allotment ceiling for the University of Hawaii. The public declaration is published in the Honolulu Star-Advertiser and newspapers on each island.

Section 37-94 requires the Director of Finance to give, twice in successive weeks, statewide public notice of the state growth and expenditure ceiling. The public notice is also published in the Honolulu Star-Advertiser and newspapers on each island.

Additionally, section 42F-107 requires the Governor to report the status of unreleased grants once every quarterly allotment period in the manner prescribed by section 1-28.5, HRS. Section 1-28.5 requires the public notice to be published statewide in a daily or weekly publication of statewide circulation or by publication in separate daily or weekly publications whose combined circulation is statewide. In practice, the Governor has delegated the reporting of the status of grants to the Director of Finance.

The cost of publishing these public notices in the newspaper totals about \$9,300 each fiscal year. It would be more cost effective if the Governor or Director of Finance could report the information on the Governor's or Department of Budget and Finance's website, as applicable. This would reduce the cost of publishing the public notices. In addition, having the information available on the Governor's or department's website may make the information readily available and accessible to a wider audience.

This bill would also amend sections 37-37 and 42F-107, HRS, to allow the Governor or Director of Finance to make the public declaration regarding the University of Hawaii's allotment ceiling and report the grant information, respectively.

Impact on the public: This bill will reduce the expenditure of taxpayer dollars, while still providing for thorough, adequate reporting of required information.

Impact on the department and other agencies: This bill will reduce the department's unnecessary expenditure of taxpayer dollars.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: BUF-101.

OTHER AFFECTED
AGENCIES: None.

EFFECTIVE DATE: Upon approval.