JAN 2 7 2021

### A BILL FOR AN ACT

RELATING TO PROGRAM AND BUDGET PERFORMANCE REVIEW.

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

1	SECT	ION 1. Section 26-8, Hawaii Revised Statutes, is
2	amended to	o read as follows:
3	"§26	-8 Department of budget and finance. (a) The
4	departmen	t of budget and finance shall be headed by a single
5	executive	to be known as the director of finance.
6	(b)	The department shall:
7	(1)	Undertake the preparation and execution of the
8		executive budget of the state government;
9	(2)	Conduct a systematic and continuous review of the
10		finances, organization, and methods of each department
11		of the State to assist each department in achieving
12		the most effective expenditure of all public funds and
13		to determine that such expenditures are in accordance
14		with the budget laws and controls in force;
15	(3)	Have custody of state funds and be responsible for the

16 safekeeping, management, investment, and disbursement 17 thereof; and



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and

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(4) Administer state debts.

2 (c) The functions and authority heretofore exercised by 3 the bureau of the budget (except for insurance management, 4 surplus property management, and central purchasing transferred 5 to the department of accounting and general services) and the 6 funds custody, cash management, debt management, and 7 administering of veterans loan functions of the treasurer as 8 heretofore constituted are transferred to the department of 9 budget and finance established by this chapter.

10 The director of finance shall conduct biennial budget (d) 11 and performance reviews of the transactions, accounts, programs, 12 and performance of all executive branch offices and agencies of 13 the State. The reviews shall identify each entity's programs 14 and the degree of compliance of expenditures with statutory 15 requirements enacted by the immediately preceding legislature in 16 the last biennium. Reviews shall be conducted after the close 17 of a legislative biennium. 18 No later than twenty days prior to the convening of the 19 regular session in even numbered years, the director of finance 20 shall submit a report to the legislature of the budget and

21 performance reviews conducted by the director for the



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1	immediately preceding legislative biennium, together with		
2	findings relative to the expenditures made and financial		
3	transactions had by the executive branch offices and agencies of		
4	the state. Certified copies of all performance and budget		
5	reviews made by the director of finance shall be sent to the		
6	governor. All reports shall be available for public inspection.		
7	[ <del>(d)</del> ] <u>(e)</u> The employees' retirement system as constituted		
8	by chapter 88 is placed within the department of budget and		
9	finance for administrative purposes. The functions, duties, and		
10	powers, subject to the administrative control of the director of		
11	finance, and the composition of the board of trustees of the		
12	employees' retirement system shall be as heretofore provided by		
13	law."		
14	SECTION 2. Statutory material to be repealed is bracketed		
15	and stricken. New statutory material is underscored.		
16	SECTION 3. This Act shall take effect upon its approval.		
17			
	INTRODUCED BY:		



Page 3

#### Report Title:

Department of Budget and Finance; Director of Finance; Program and Budget Performance Review; Reports

### Description:

Requires the director of the department of budget and finance to conduct program and budget performance reviews of all state agencies biennially. Requires the director of finance to submit a report of the findings to the legislature at the start of each legislative biennial.

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

