

JAN 19 2024

A BILL FOR AN ACT

RELATING TO GOVERNMENT ACCOUNTABILITY.

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

1 SECTION 1. The legislature finds that every year, laws are
2 enacted that require new studies and audits of various state
3 government departments or agencies. Conducting and completing
4 many of these studies and audits require an appropriation and
5 also consume valuable time and resources of the department,
6 agency, office, or branch of government tasked with preparing
7 the study or audit.

8 The legislature also finds that the resultant report is
9 often not widely reviewed by the legislature or public and can
10 sometimes go completely unnoticed despite the fact that these
11 reports can contain valuable information.

12 The legislature further finds that mandating a public
13 hearing or informational briefing that would facilitate
14 discussion and analysis of the report findings and
15 recommendations would better serve the public interest.

16 The purpose of this Act is to:



1 (1) Require a public hearing or informational briefing on
2 certain audit reports and studies enacted with an
3 appropriation or adopted by concurrent resolution
4 within one year of the receipt of the report or study
5 in order to properly review and consider the
6 information provided therein;

7 (2) Require a public hearing or informational briefing on
8 performance audit reports issued by the office of the
9 auditor within one year of the publication of the
10 report in order to properly review and consider the
11 information provided therein; and

12 (3) Require reports to the legislature for certain funded
13 programs.

14 SECTION 2. Chapter 21, Hawaii Revised Statutes, is amended
15 by adding a new part to be appropriately designated and to read
16 as follows:

17 "PART . HEARINGS OR BRIEFINGS ON REPORTS
18 §21- Procedures for consideration of reports. (a) For
19 any study or audit enacted with a legislative appropriation to
20 fund the study or audit or adopted by concurrent resolution,



1 including those studies or audits in any budget measure, and
2 which are conducted by:

3 (1) The executive departments and agencies, including the
4 Hawaii health systems corporation;

5 (2) The judiciary;

6 (3) The legislative reference bureau; or

7 (4) The office of Hawaiian affairs,

8 the state agency completing the study or audit shall submit the
9 report to the chair of the applicable subject matter committee
10 of each chamber or, if no chair is currently appointed to a
11 respective applicable subject matter committee, then to the
12 presiding officer of that chamber. The report shall comply with
13 the requirements of section 93-16.

14 (b) The respective chairs of the committees to whom a
15 report is submitted under subsection (a) shall conduct a public
16 hearing or informational briefing on the report within one year
17 of the chair receiving the report. Upon request of the chair, a
18 one-year extension of time or waiver of the requirement to
19 conduct a public hearing or informational briefing may be
20 granted by the president of the senate or the speaker of the
21 house of representatives, as appropriate; provided that the



1 reasons for the granting a one-year extension of time or waiver
2 of the requirement under this part shall be posted on the
3 legislature's website and publicly noticed at the state capitol.

4 (c) This section shall not apply to any financial or
5 regularly occurring study or audit enacted with a legislative
6 appropriation to fund the study or audit or adopted by
7 concurrent resolution.

8 **§21- Procedures for consideration of performance audit**
9 **reports issued by the office of the auditor.** (a) For each
10 performance audit report issued by the office of the auditor,
11 the speaker of the house of representatives and the president of
12 the senate shall assign to the chairs of the appropriate
13 committees of their respective chambers the responsibility to
14 conduct a public hearing or informational briefing on the
15 performance audit report. The chairs of the committees shall
16 conduct a public hearing or informational briefing on the
17 performance audit report within one year after the issuance of
18 the report by the office of the auditor.

19 (b) This section shall not apply to any financial audit or
20 single audit."



1 SECTION 3. Chapter 26, Hawaii Revised Statutes, is amended
2 by adding a new section to be appropriately designated and to
3 read as follows:

4 "§26- Establishment of programs; reports. Any
5 department or agency that establishes a funded program in
6 accordance with an Act of the State shall submit a report on the
7 program to the legislature no later than one year following the
8 date the Act becomes law. The report to the legislature shall:

- 9 (1) Identify all revenues, expenditures, and encumbrances
10 for the program;
- 11 (2) Identify the number of employees hired to staff the
12 program;
- 13 (3) Provide whether or not the program was implemented
14 within one year of the date the enabling Act became
15 law;
- 16 (4) Identify the achievements, findings, and future plans
17 for the program, including any supporting data; and
- 18 (5) Include any other information needed to sufficiently
19 apprise the legislature of the program's nature,
20 financial status, and effectiveness."



1 SECTION 4. Chapter 21, Hawaii Revised Statutes, is amended
2 by designating sections 21-1 to 21-19 as part I, entitled
3 "Investigating Committees".

4 SECTION 5. Sections 21-1, 21-2, 21-6, 21-13, 21-15, and
5 21-19, Hawaii Revised Statutes, are amended by substituting the
6 word "part" wherever the word "chapter" appears, as the context
7 requires.

8 SECTION 6. New statutory material is underscored.

9 SECTION 7. This Act shall take effect upon its approval.

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INTRODUCED BY: *Anna Mercado K.*



S.B. NO. 2403

Report Title:

Government Accountability; Legislative Hearings; Studies and Reports; State Funded Programs; Mandatory Reports

Description:

Requires any report of a study or an audit enacted with a legislative appropriation or adopted by concurrent resolution to be submitted to the President of the Senate, Speaker of the House of Representatives, the chairs of the appropriate subject matter committee of each house, and the Legislative Reference Bureau library. Requires a public hearing or informational briefing within one year of receipt of the report, except under certain circumstances. Requires a public hearing or informational briefing within one year of the publication of the performance audit reports. Exempts financial and other regularly occurring audits. Requires state departments and agencies to submit a report to the Legislature containing certain information regarding new, funded state programs within one year of the date on which the program's enabling Act became law.

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

