

JAN 19 2023

A BILL FOR AN ACT

RELATING TO BUDGET-RELATED REPORTS.

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

1 SECTION 1. Section 37-70, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) Not later than the third Wednesday of January of each
4 odd-numbered year, the governor shall submit to the legislature
5 and to each member thereof[7] a program memorandum covering each
6 of the major programs in the statewide program structure[-];
7 provided that the governor shall ensure that each program
8 memorandum submitted pursuant to this section accurately
9 reflects the current responsibilities of the applicable program,
10 addresses the current and future needs of the State, and aligns
11 with the information submitted pursuant to section 37-71 by
12 reviewing and updating, as necessary, the most recently
13 submitted program memoranda. Each program memorandum [~~will~~]
14 shall include:

15 (1) An overview of the program as a whole, including a
16 discussion of:

17 (A) Objectives.



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- 1 (B) Component programs.
- 2 (C) Departments involved.
- 3 (D) Relationships to other agencies and
- 4 jurisdictions.
- 5 (E) Major activities.
- 6 (F) Important external developments affecting the
- 7 program.
- 8 (G) Significant discrepancies between previously
- 9 planned cost and effectiveness levels and those
- 10 actually achieved.
- 11 (H) Trends and comparisons in costs, effectiveness,
- 12 or activity data over the budget and planning
- 13 period.
- 14 (2) A statement of the major program changes being
- 15 recommended for the budget and planning period to
- 16 include for each proposed change:
 - 17 (A) A brief statement of the recommended change.
 - 18 (B) The cost and program performance consequences of
 - 19 the change over the budget and planning period.
 - 20 (C) A summary of the analytic rationale for the
 - 21 change.



- 1 (3) A discussion of emerging conditions, trends, and
2 issues, including:
3 (A) Actual or potential impact on the State and its
4 programs.
5 (B) Possible alternatives for dealing with the
6 specific problems occasioned by the emerging
7 conditions, trends, and issues.
8 (C) Suggestions for a program of analyses to resolve
9 the most urgent of the problems.
- 10 (4) Appendices as needed to include appropriate issue
11 papers, special analytic studies, other reports, and
12 crucial source data."

13 SECTION 2. Section 37-75, Hawaii Revised Statutes, is
14 amended to read as follows:

15 "**§37-75 Variance report.** Not fewer than thirty days prior
16 to the convening of each regular session [~~of the legislature~~],
17 the governor shall submit to the legislature and to each member
18 thereof a report on program performance for the last completed
19 fiscal year and the fiscal year in progress. In format, the
20 report generally shall follow the fiscal requirements portion of
21 the executive budget or budgets. The report shall include:



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1 (1) At the lowest level of the program structure, for each
2 program contained in the budget finally approved by
3 the legislature for the last completed fiscal year and
4 the fiscal year in progress:

5 (A) A comparison, by the operating and research and
6 development cost categories, of the budgeted
7 expenditures and the actual expenditures for the
8 last completed fiscal year and the budgeted
9 expenditures and the estimated expenditures for
10 the fiscal year in progress;

11 (B) A comparison, for the operating and research and
12 development cost categories, of the budgeted
13 expenditures and position ceiling and the actual
14 expenditures and positions filled in the last
15 completed fiscal year and a comparison of the
16 budgeted expenditures and the position ceiling
17 for the fiscal year in progress and the actual
18 expenditures and number of positions filled in
19 the first three months of the fiscal year in
20 progress and the estimated expenditures and



1 number of positions expected to be filled in the
2 remaining months of the fiscal year in progress;

3 (C) The program size indicators and a comparison of
4 the program size anticipated and the size
5 actually realized in the last completed fiscal
6 year and the program size anticipated and the
7 size estimated for the fiscal year in progress;
8 provided that the governor shall ensure that each
9 program size indicator used herein accurately
10 reflects the current responsibilities of the
11 applicable program, addresses the current and
12 future needs of the State, and aligns with the
13 information submitted pursuant to sections 37-71
14 and 37-72 by reviewing and updating the most
15 recently used program size indicators, as
16 necessary;

17 (D) The effectiveness measures and a comparison of
18 the level of effectiveness anticipated and the
19 level actually attained in the last completed
20 fiscal year and the level of effectiveness
21 anticipated and the level estimated for the



1 fiscal year in progress; provided that the
2 governor shall ensure that each effectiveness
3 measure used herein accurately reflects the
4 current responsibilities of the applicable
5 program, addresses the current and future needs
6 of the State, and aligns with the information
7 submitted pursuant to sections 37-71 and 37-72 by
8 reviewing and updating the most recently used
9 effectiveness measures, as necessary; and

10 (E) A narrative explanation of the significant
11 differences for the last completed fiscal year in
12 each of the comparisons made in subparagraphs
13 (A), (B), (C), and (D), including an explanation
14 of the basis upon which the original estimates
15 were made and the reasons why the estimates
16 proved accurate or inaccurate, and a statement of
17 what the actual experience portends for the
18 future of the program in terms of costs, size,
19 and effectiveness;

20 provided that expenditure amounts in the comparisons
21 shall be shown to the nearest thousand dollars;



1 (2) Appropriate summaries at each level of the state
2 program structure for each major grouping of programs
3 encompassed therein, showing:

4 (A) A comparison of the total budgeted expenditure
5 and the total actual expenditure for the last
6 completed fiscal year and the total budgeted
7 expenditure and the total estimated expenditure
8 for the fiscal year in progress; provided that
9 the expenditure amounts shall be shown to the
10 nearest thousand dollars;

11 (B) The effectiveness measures and a comparison of
12 the level of effectiveness anticipated and the
13 level actually attained in the last completed
14 fiscal year and the level of effectiveness
15 anticipated and the level estimated for the
16 fiscal year in progress; and

17 (C) A narrative explanation summarizing the major
18 reasons for the differences in the comparisons
19 made for the last completed fiscal year in
20 subparagraphs (A) and (B); and



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1 (3) A narrative explanation of the significant variations
2 in capital improvement costs; provided that capital
3 improvement project variances shall be referenced to
4 the six-year program and financial plan, which shall
5 contain the information specified in
6 section 37-69(d) (1) (K)."

7 SECTION 3. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY: *Dan Claitor*



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Report Title:

Governor; Budget-Related Reports; Program Memoranda; Variance Reports; Program Size Indicators; Effectiveness Measures; Reviews; Updates

Description:

Requires the Governor to ensure that the Governor's program memoranda and variance reports accurately reflect the current responsibilities of certain state programs, address the current and future needs of the State, and align with budget-related submittals.

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

