

ACT 40

S.B. NO. 2098

A Bill for an Act Relating to State Finances.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 40, Hawaii Revised Statutes, is amended by adding two new sections to be appropriately designated and to read as follows:

“§40- Prior year accounts. The comptroller shall establish new accounts for all special and revolving funds on July 1 of each fiscal year. All unencumbered cash balances for special and revolving funds established in previous years shall be deposited in the appropriate account for the current fiscal year unless otherwise provided by law; provided that this section shall not apply to those funds which are designated by either the legislature or the director of finance for transfer to the general fund.

§40- Encumbrances, when void. (a) All encumbrances for claims which the comptroller has determined to be inactive shall become void six months from the end of the fiscal year of the original encumbrance, or within a period of time less than six months as designated by the comptroller.

(b) All encumbrances for contracts shall become void after five years from the end of the fiscal year of the original encumbrance; provided that the comptroller may grant an exemption from this subsection if the comptroller finds that there is sufficient justification to extend a contract encumbrance.”

SECTION 2. Section 37-44, Hawaii Revised Statutes, is repealed.

SECTION 3. Section 37-45, Hawaii Revised Statutes, is repealed.

SECTION 4. Statutory material to be repealed is bracketed. New statutory material is underscored.¹

SECTION 5. This Act shall take effect on July 1, 1996.

(Approved April 23, 1996.)

Note

1. Edited pursuant to HRS §23G-16.5.