

STAND. COM. REP. NO. **556**

Honolulu, Hawaii

MAR 06 2009

RE: S.B. No. 387

S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 387 entitled:

"A BILL FOR AN ACT RELATING TO THE STATE BUDGET,"

begs leave to report as follows:

The purpose of this measure is to affirm the Legislature's intent that appropriation transfers or changes between programs or agencies shall not be made without prior legislative authorization.

Specifically, this measure adds clarifying language to expressly require that appropriation transfers or changes between programs and agencies, when proposed, shall not take effect until approved by the chairpersons of the Ways and Means and Finance committees of the Legislature.

The Office of the Governor and four state departments submitted testimony in opposition to this measure.

Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that section 13(d) of Act 185, Session Laws of Hawaii 1970, provided the original basis for the law relating to appropriation transfers or changes between programs or agencies that is now codified in section 37-74(d), Hawaii Revised Statutes. Act 185 specifically stated that "[n]o appropriation transfers or changes between programs or agencies shall be made

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without legislative authorization. Authorized transfers or changes, when made, shall be reported to the legislature." The intent of the law is clearly stated and is a policy that has been practiced for almost forty years.

Upon further consideration, however, your Committee has amended this measure by deleting paragraph (1) of section 37-74(d), Hawaii Revised Statutes, that requires:

- (1) Approval by the chairs of the money committees of both houses of the Legislature; and
- (2) Reporting to the Legislature, and

by renumbering the remaining paragraphs (2) and (3) as paragraphs (1) and (2) of section 37-74(d), Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 387, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 387, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

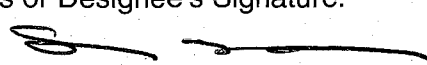


DONNA MERCADO KIM, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 387	Committee Referral: WAM	Date: 02/23/09		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KIM, Donna Mercado (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani				✓
FUKUNAGA, Carol				✓
GALUTERIA, Brickwood	/			
HEE, Clayton				✓
HOOSER, Gary L.	/			
KIDANI, Michelle N.				✓
KOKUBUN, Russell S.	/			
TOKUDA, Jill N.	/			
HEMMINGS, Fred			/	
TOTAL	7		1	4
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes