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

SECTION 1. The State is continuously reviewing ways to develop more efficient and cost-effective means of operation. Developing a more streamlined, consistent, and cost-effective means of reporting information to the public is one such way that would clearly be in the public interest.

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

"(b) For the University of Hawaii, when the director of finance determines at any time that the probable receipts from taxes or any other sources for any appropriation will be less than was anticipated, and that consequently the amount available for the remainder of the term of the appropriation or for any allotment period will be less than the amount estimated or allotted therefor, the director shall advise the governor of the situation, and the governor shall redetermine the allotment ceiling for the affected source or sources of funding pursuant to section 37-34, and shall advise the university [and]_. The governor or the director of finance shall make a public declaration ten days prior to the effective date of the
redetermination. The public declaration may be made by using one or more of the following methods:

(1) Posting on the State of Hawaii office of the governor or department of budget and finance internet website;

(2) Publication in a daily or weekly publication of statewide circulation; or

(3) Any other method the governor or the director of finance deems effective for publicizing the notice.

The university, not more than twenty days after the governor's notification, shall submit revised estimates consistent with the governor's redetermination to the director of finance. Otherwise, the director of finance shall modify, amend, or reduce any allotment of the university to comply with the governor's redetermination; provided that no reduction shall reduce any allotted amount below the amount required to meet valid obligations or commitments previously incurred against the allotted funds."

SECTION 3. Section 37-94, Hawaii Revised Statutes, is amended to read as follows:

"§37-94 Director of finance; duties. A preliminary estimate of the state growth and expenditure ceiling shall be determined by the director of finance as of August 15 of each year. The final estimate of the state growth and expenditure ceiling to be used by the legislature to make appropriations from the general fund in each year shall be determined by the
director of finance as of November 15 of each year. Upon the
determination of both the preliminary estimate and the final
estimate of the state growth and expenditure ceiling, the
director shall inform the governor, chief justice, and the
legislature, and shall give[\ldots] twice in successive weeks]
statewide public notice of the state growth and expenditure
ceiling and the maximum dollar amount that may be appropriated
from the general fund. The notice may be given by using one or
more of the following methods:

(1) Posting on the State of Hawaii department of budget
and finance internet website;

(2) Publication in a daily or weekly publication of
statewide circulation; or

(3) Any other method the director of finance deems
effective for publicizing the notice."

SECTION 4. Section 42F-107, Hawaii Revised Statutes, is
amended to read as follows:

grant awarded by the legislature pursuant to this chapter is not
allocated or released by the governor within ninety days of the
effective date of the legislation awarding the grant, the
governor or the director of finance shall notify[\ldots] in the manner
prescribed in section 1-28.5\ldots] the recipient of the unreleased
grant on the status of whether the grant is still pending or
will not be released. The governor or the director of finance
shall provide the notice once every quarterly allotment period (as the periods are defined in section 37-32), beginning on the ninety-first day after the effective date of the legislation awarding the grant and until a final determination is made on the status of the grant. The notice may be given by using one or more of the following methods:

(1) Posting on the State of Hawaii office of the governor or department of budget and finance internet website;

(2) Publication in a daily or weekly publication of statewide circulation; or

(3) Any other method the governor or director of finance deems effective for publicizing the notice."

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

SECTION 5. This Act shall take effect upon its approval.

INTRODUCED BY: ___

BY REQUEST

BUF-20(19)
Report Title:
University of Hawaii; Expenditure Ceiling; Grants

Description:
Clarifies the type of public notice required for reporting the redetermination of the University of Hawaii's allotment ceiling, the state growth rate and expenditure ceiling, and the release of grants.
DEPARTMENT: Budget and Finance

TITLE: A BILL FOR AN ACT RELATING TO PUBLIC NOTICES.

PURPOSE: The purpose of this bill is to develop a more efficient and cost-effective means of providing information to the public regarding: (1) changes to the University of Hawaii's allotment ceiling, (2) the State's expenditure ceiling, and (3) the status of grants.


JUSTIFICATION: Currently, section 37-37 provides that the Governor must make a public declaration when redetermining the allotment ceiling for the University of Hawaii. The public declaration is published in the Honolulu Star-Advertiser and newspapers on each island.

Section 37-94 requires the Director of Finance to give, twice in successive weeks, statewide public notice of the state growth and expenditure ceiling. The public notice is also published in the Honolulu Star-Advertiser and newspapers on each island.

Additionally, section 42F-107 requires the Governor to report the status of unreleased grants once every quarterly allotment period in the manner prescribed by section 1-28.5, HRS. Section 1-28.5 requires the public notice to be published statewide in a daily or weekly publication of statewide circulation or by publication in separate daily or weekly publications whose combined circulation is statewide. In practice, the Governor has delegated the reporting of the status of grants to the Director of Finance.
The cost of publishing these public notices in the newspaper totals about $9,300 each fiscal year. It would be more cost effective if the Governor or Director of Finance could report the information on the Governor's or Department of Budget and Finance’s website, as applicable. This would reduce the cost of publishing the public notices. In addition, having the information available on the Governor's or department’s website may make the information readily available and accessible to a wider audience.

This bill would also amend sections 37-37 and 42F-107, HRS, to allow the Governor or Director of Finance to make the public declaration regarding the University of Hawaii's allotment ceiling and report the grant information, respectively.

Impact on the public: This bill will reduce the expenditure of taxpayer dollars, while still providing for thorough, adequate reporting of required information.

Impact on the department and other agencies: This bill will reduce the department’s unnecessary expenditure of taxpayer dollars.

GENERAL FUND: None.

OTHER FUNDS: None.


OTHER AFFECTED AGENCIES: None.

EFFECTIVE DATE: Upon approval.