

Hawai'i Children's Action Network Speaks! is a nonpartisan 501c4 nonprofit committed to advocating for children and their families. Our core issues are safety, health, and education.

To: Senate Committee on Government Operations



Re: HB 792 HD1 – Relating to Government Services Hawai'i State Capitol & Via Videoconference March 18, 2025, 3:05 PM

Dear Chair McKelvey, Vice Chair Gabbard, and Committee Members,

On behalf of Hawai'i Children's Action Network Speaks!, I am writing in SUPPORT of HB 792 HD1 with suggested amendments. This bill clarifies the office of the legislative analyst.

According to the Council of State Governments, <sup>1</sup> Hawaii is the only state in the country that does not have an independent office or process to create fiscal notes, which are informed estimates of how much revenue a bill might generate or cost.

In some states, fiscal notes are prepared for all bills, while in others fiscal notes are required for specific bills or will be produced at the request of a bill's introducer or the chairs of the appropriations committees.

Your predecessors seemingly took note of this in 1990 when they passed legislation to create the Office of the Legislative Analyst. The purpose of the office was to conduct research on state revenues and expenditures and the state economy as a whole.

As the law that created the office<sup>2</sup> noted: "In Hawaii, the Legislature relies on the economic and fiscal analyses of the executive branch and private sector. The Legislature believes that this dependency creates an inherent conflict of interest that precludes the Legislature from operating independently."

However, the Legislature never funded the office, so it was never established. This bill clarifies the language that creates the Office of the Legislative Analyst, but it still does not provide funding for it.

We suggest amending this bill to fund the office as well as add a mandate that all fiscal notes be made public. This would enable our lawmakers to make more informed and fiscally responsible decisions as well as allow anyone to review the assumptions and cost estimates of each bill, and challenge or debate them, if needed.

Mahalo for the opportunity to provide this testimony. Please pass this bill with our suggested amendments.

Thank you, Nicole Woo Director of Research and Economic Policy

<sup>&</sup>lt;sup>1</sup> https://bookofthestates.org/tables/2022-3-18/

<sup>&</sup>lt;sup>2</sup> <u>https://law.justia.com/codes/hawaii/title-3/chapter-21f/section-21f-1/</u>