A BILL FOR AN ACT

RELATING TO APPROPRIATIONS.

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

- 1 SECTION 1. Section 37-74, Hawaii Revised Statutes, is
- 2 amended to read as follows:
- 3 "\$37-74 Program execution. (a) Except as limited by
- 4 policy decisions of the governor, appropriations by the
- 5 legislature, and other provisions of law, the several agencies
- 6 responsible for administering state programs shall administer
- 7 their program assignments and shall be responsible for their
- 8 proper management.
- **9** (b) The appropriations by the legislature for a biennium
- 10 shall be allocated between the two fiscal years of the biennium
- 11 in the manner provided in the budget or appropriations act and
- 12 as further prescribed by the director of finance. The amounts
- 13 allocated for each fiscal year shall be subject to the allotment
- 14 system prescribed in chapter 37, part II. Each agency (except
- 15 the courts), in estimating its quarterly requirements under
- 16 chapter 37, part II, shall prepare a plan for the fiscal year
- 17 for the operation of each of the programs it is responsible for
- 18 administering. The operations plan shall be in such form and



1	content a	S CITE	department of budget and finance may prescribe.
2	It shall	be su	bmitted, together with the estimated quarterly
3	requireme	nts,	to the department of budget and finance on such
4	date as t	he de	partment may prescribe.
5	(c)	The	department of budget and finance shall:
6	(1)	Revi	ew each operations plan to determine:
7		(A)	That it is consistent with the policy decisions
8			of the governor and appropriations by the
9			legislature;
10		(B)	That it reflects proper planning and efficient
11			management methods; and
12		(C)	That appropriations have been made for the
13			planned purpose and will not be exhausted before
14			the end of the fiscal year;
15		prov	ided that the department of budget and finance
16		shal	l review the operations plan submitted by the
17		Univ	ersity of Hawaii solely for consistency with the
18		allo	tment ceilings established by the governor under
19		sect	ion 37-34, appropriations by the legislature, the
20		requ	irements of chapter 37D, and the status of
21		reve	nues to support operations plans for all state
22		proq	rams;

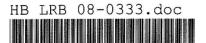


1 (2)	Approve the operations plan if satisfied that it meets
2		the requirements under paragraph (1). Otherwise, the
3		department of budget and finance shall require
4		revision of the operations plan in whole or in part;
5		and

- Modify or withhold the planned expenditures at any 6 (3) 7 time during the appropriation period if the department of budget and finance finds that the expenditures are 8 9 greater than those necessary to execute the programs 10 at the level authorized by the governor and the 11 legislature, or that state receipts and surpluses will 12 be insufficient to meet the authorized expenditure 13 levels; provided that the planned expenditures for the 14 University of Hawaii may be modified or withheld only 15 in accordance with sections 37-36 and 37-37.
- (d) No appropriation transfers or changes between programs or agencies shall be made without legislative authorization; provided that:
- 19 (1) Authorized transfers or changes, when made, shall be 20 reported to the legislature;
- (2) Except with respect to appropriations to fundfinancing agreements under chapter 37D, the University



1	of Hawaii shall have the flexibility to transfer
2	appropriated funds and positions for the operating
3	cost category among programs, among cost elements in a
4	program, and between quarters, as applicable; except
5	with respect to appropriations to fund financing
6	agreements under chapter 37D, the department of
7	education shall have the flexibility to transfer
8	appropriated funds and positions for the operating
9	cost category among programs and among cost elements
10	in a program, and between quarters, as applicable; and
11 .	the Hawaii health systems corporation and its regional
12	system boards shall have the flexibility to transfer
13	special fund appropriations among regional system
14	hospital facilities as applicable and as mutually
15	agreed to by the corporation and the respective
16	regional system board; provided that the Hawaii health
17	systems corporation and the regional system boards
18	shall maintain the integrity and services of each
19	individual regional system and shall not transfer
20	appropriations out of any regional system that would
21	result in a reduction of services offered by the
22	regional system, with due regard for statutory



1		requirements, changing conditions, the needs of the
2		programs, and the effective utilization of resources;
3		and
4	(3)	The university and the department of education shall
5		account for each transfer implemented under this
6		subsection in quarterly reports to the governor and
7		annual reports at the end of each fiscal year to the
8		legislature and the governor, which shall be prepared
9		in the form and manner prescribed by the governor and
10		shall include information on the sources and uses of
11		the transfer.
12	(e)	Appropriations made in all measures enacted into law
13	by legisl	ative override of a veto by the governor shall be
14	released	by the governor not later than ninety days after the
15	veto is o	verridden by both houses of the legislature."
16	SECT	ION 2. New statutory material is underscored.
17	SECT	ION 3. This Act shall take effect on July 1, 2008.
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INTRODUCED BY:

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JAN 2 1 2008 K; FIC Caldwell

Report Title:

Veto Override; State Funds

Description:

Requires funds for bills passed into law through veto override to be released within 90 days of passage.