A BILL FOR AN ACT

RELATING TO MANAGEMENT OF STATE FUNDS.

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

1	SECT	ION 1. Section 36-2.5, Hawaii Revised Statutes, is	
2	amended as follows:		
3	1.	By amending subsection (b) to read:	
4	"(b)	Not later than January 1, $[2009,]$ 2013, the	
5	[department of budget and finance,] chief information officer,		
6	in accordance with this section, shall establish, implement, and		
7	maintain	a single searchable website, accessible by the public	
8	at no cos	t, that includes for each state award:	
9	(1)	The name of the entity receiving the award;	
10	(2)	The amount of the award;	
11	(3)	Information on the award, including transaction type,	
12		funding agency, program source, and an award title	
13		descriptive of the purpose of each funding action;	
14	(4)	The full address of the entity receiving the award and	
15		the primary location of performance under the award;	
16	(5)	A unique identifier of the entity receiving the award	
17		and of the parent entity of the recipient, if the	
18		entity is owned by another entity; and	

- 1 (6) Any other relevant information specified by the 2 department of budget and finance. 3 The website shall include data for fiscal year [2008] 2012 4 and each fiscal year thereafter. The [director of finance] chief information officer is 5 6 authorized to designate one or more state agencies to 7 participate in the development, establishment, maintenance, and 8 support of the website; provided that the department of 9 accounting and general services, in collaboration with the 10 department of budget and finance, is responsible for collecting and posting on the website, the information that is required by 11 12 this subsection. In the initial designation, or in subsequent 13 instructions and guidance, the [director] chief information 14 officer may specify the scope of the responsibilities of each 15 agency. 16 State agencies shall comply with the instructions and 17 guidance issued by the [director of finance] chief information 18 officer and shall provide appropriate assistance to the 19 [director] chief information officer upon request, so as to 20 assist the [director] chief information officer in ensuring the
- 22. By amending subsections (d) through (h) to read:

existence and operation of the website."

21

1	"(d) Not later than [July 1, 2008,] January 1, 2014, the			
2	[director of finance] chief information officer shall establish			
3	and implement a pilot program to:			
4	(1) Test the collection and accession of data about			
5	subgrants and subcontracts; and			
6	(2) Determine how to implement a subaward reporting			
7	program across the State, including:			
8	(A) A reporting system under which the entity issuing			
9	a subgrant or subcontract is responsible for			
10	fulfilling the subaward reporting requirement;			
11	and			
12	(B) A mechanism for collecting and incorporating			
13	agency and public feedback on the design and			
14	utility of the website.			
15	The pilot program shall terminate not later than			
16	[January 1, 2010.] <u>July 1, 2015.</u>			
17	(e) Based on the pilot program, not later than [January 1,			
18	2010, July 1, 2015, the [director of finance:] chief			
19	information officer:			
20	(1) Shall ensure that data regarding subawards are			
21	disclosed in the same manner as data regarding other			
22	state awards; and			

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1	(2) Shal	l ensure that the method for collecting and		
2	distributing data about subawards:			
3	(A)	Minimizes burdens imposed on state award		
4		recipients and subaward recipients;		
5	(B)	Allows state award recipients and subaward		
6		recipients to allocate reasonable costs for the		
7		collection and reporting of subaward data as		
8		indirect costs; and		
9	(C)	Establishes cost-effective requirements for		
10		collecting subaward data under block grants,		
11		formula grants, and other types of assistance to		
12		local governments.		
13	For subaw	ard recipients that receive state funds through		
14	county governments, the [director of finance] chief information			
15	officer may extend the deadline for ensuring that data regarding			
16	such subawards are disclosed in the same manner as data			
17	regarding other state awards for a period not to exceed eighteen			
18	months, if the [director] chief information officer determines			
19	that compliance would impose an undue burden on the subaward			
20	recipient.			
21	(f) Any entity that demonstrates to the [director of			
22	finance] chief	information officer that the gross income, from		

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- 1 all sources, for the entity did not exceed \$300,000 in the
- 2 previous tax year of that entity shall be exempt from the
- 3 requirement to report subawards under subsection (d), until the
- 4 [director] chief information officer determines that the
- 5 imposition of such reporting requirements will not cause an
- 6 undue burden on the entity.
- 7 (g) Nothing in this section shall prohibit the [department
- 8 of budget-and-finance] chief information officer from including
- 9 through the website established under this section access to
- 10 data that is publicly available in any other state database.
- 11 (h) The [director of finance] chief information officer
- 12 shall submit to the legislature not later than twenty days prior
- 13 to the convening of each regular session an annual report
- 14 regarding the website established under this section.
- 15 Each report shall include:
- 16 (1) Data regarding the usage and public feedback on the
- 17 utility of the site (including recommendations for
- improving data quality and collection);
- 19 (2) An assessment of the reporting burden placed on state
- award and subaward recipients; and
- 21 (3) An explanation of any extension of the subaward
- reporting deadline, if applicable.

- 1 The [director of finance] chief information officer shall
- 2 make each report publicly available on the website established
- 3 under this section."
- 4 SECTION 2. Statutory material to be repealed is bracketed
- 5 and stricken. New statutory material is underscored.
- 6 SECTION 3. This Act shall take effect upon its approval.

Report Title:

State Funds; State Awards; Subawards Reporting

Description:

Updates deadlines for the chief information officer to establish accessible searchable websites and implement a pilot program on data collection and subawards reporting. (SD1)

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