

Honolulu, Hawaii

FEB 13 2023

RE: S.B. No. 292

S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Government Operations, to which was referred S.B. No. 292 entitled:

"A BILL FOR AN ACT RELATING TO BUDGET-RELATED REPORTS,"

begs leave to report as follows:

The purpose and intent of this measure is to require the Governor to ensure that the Governor's variance reports:

- (1) Accurately reflect the current responsibilities of certain state programs;
- (2) Address the current and future needs of the State; and
- (3) Align with budget-related submittals.

Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that the authority to execute budget controls must be used with the utmost care, and prudent management of the State's finances is expected and necessary. Additionally, your Committee finds that variance reports should align with budget-related submittals to accurately reflect the needs of the State.



Your Committee has amended this measure by inserting an effective date of July 1, 2112, to encourage further discussion.

Your Committee has heard the testimony of the Department of Budget and Finance expressing concerns that the State's fiscal resources cannot extend to address all needs. Should your Committee on Ways and Means choose to deliberate on this measure, your Committee requests that they examine the inclusion of language that would provide the Department of Budget and Finance with the flexibility to encompass instances where the fiscal realities do not permit the Executive Biennium and Supplemental Budgets to align fully with the needs of the State.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 292, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 292, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Government
Operations,



ANGUS L.K. MCKELVEY, Chair



