

JAN 24 2024

A BILL FOR AN ACT

RELATING TO FUNDING ADJUSTMENTS FOR STATE PROGRAMS.

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

1 SECTION 1. This Act is recommended by the governor for
2 immediate passage in accordance with section 9 of article VII of
3 the Constitution of the State of Hawaii.

4 SECTION 2. In prior years, the respective budget acts
5 contained a budget proviso such as section 72 of Act 88, Session
6 Laws of Hawaii 2021, the General Appropriations Act of 2021 (Act
7 88), which permitted departments to transfer funds between their
8 programs provided that the legislature was informed of the
9 transfers. However, section 8 of Act 248, Session Laws of
10 Hawaii 2022, the Supplemental Appropriations Act of 2022,
11 repealed section 72 of Act 88, and Act 164, Session Laws of
12 Hawaii 2023, the General Appropriations Act of 2023, does not
13 reinstate the proviso. Consequently, although funds were
14 appropriated to various state departments for their operating
15 programs for fiscal year 2023-2024, the proviso's elimination
16 has caused a critical funding emergency by limiting the ability
17 of departments to transfer funds between their programs to
18 address changing conditions.

S.B. NO. 3065

1 The department of transportation is requesting the transfer
2 of special funds to replace one of its two existing barrier
3 transfer machines that provides high occupancy vehicle lanes
4 during the morning rush hour on Oahu. The purchase requires the
5 transfer of \$3,952,250 from the highways administration program
6 that are not necessary for debt service requirements. These
7 program savings would be transferred to the Oahu highways
8 program for the purchase of the replacement barrier transfer
9 machine.

10 The purpose of this Act is to address the omission of the
11 transfer proviso by appropriating additional special funds as
12 emergency appropriations for fiscal year 2023-2024 for operating
13 shortfalls in quarter 3 funding for existing programs and to
14 adjust funding for various programs to be commensurate with
15 their anticipated levels of activity. The emergency
16 appropriation and the funding adjustment made in this Act are
17 budget neutral.

18 SECTION 3. Act 164, Session Laws of Hawaii 2023, is
19 amended by amending section 3 as follows:

20 (1) By amending item C-27 to read as follows:

21	"27. TRN501 - OAHU HIGHWAYS			
22			190.00*	190.00*
23	OPERATING	TRN	[91,594,359B]	93,045,019B
24			<u>95,546,609B"</u>	

S.B. NO. 3065

1 (2) By amending item C-31 to read as follows:

2	"31. TRN595 - HIGHWAYS ADMINISTRATION			
3	OPERATING	TRN	3,600,000A	A
4			544.50*	544.50*
5			4.00#	4.00#
6		TRN	[200,645,923B]	196,403,474B
7			<u>196,693,673B</u>	
8			1.00#	1.00#
9		TRN	15,453,000N	15,429,518N
10	INVESTMENT CAPITAL	TRN	8,700,000B	6,500,000B
11		TRN	91,299,000E	67,499,000E
12		TRN	295,600,000N	185,600,000N"

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

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

16

17 INTRODUCED BY: *Wm H. M.*

18

BY REQUEST

S.B. NO. 3065

Report Title:

Funds; Appropriations

Description:

Appropriates special funds to Department of Transportation programs to pay for anticipated operating shortfalls due to the limited ability to transfer funds between programs.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

JUSTIFICATION SHEET

DEPARTMENT: Budget and Finance

TITLE: A BILL FOR AN ACT RELATING TO FUNDING ADJUSTMENTS FOR STATE PROGRAMS.

PURPOSE: To increase a special fund appropriation to the Department of Transportation (DOT) to meet operating budget shortfalls and make a corresponding special fund reduction to offset the aforementioned addition due to the limited ability to transfer funds between programs within the same department.

MEANS: Amend items C-27 and C-31 of section 3 of Act 164, Session Laws of Hawaii (SLH) 2023.

JUSTIFICATION: Act 164, SLH 2023, did not contain boilerplate provisions that are generally included in the General Appropriations Act that provide the Governor with authority to transfer funds for operating purposes. This authority was previously used by the Governor to address program shortfalls within departments. Because this authority was removed, some programs face operating budget shortfalls.

DOT is requesting a transfer of special funds to replace one of its two existing barrier transfer machines (BTM) (also known as the Zipper Mobile) that provide High Occupancy Vehicle lanes during the morning rush hour on Oahu. The purchase would require the transfer of \$3,952,250 from the TRN 595/DB Highways Administration program that are not necessary for debt service requirements. These program savings are to be transferred to the TRN 501/DC Oahu Highways program for the purchase of the replacement BTM.

The transfer proposed in this bill is a budget-neutral transfer of special funds and will not impact the general fund fiscal year 2023-2024 expenditure ceiling.

Impact on the public: This bill provides a way for DOT to address operating budget shortfalls due to the limited ability to transfer funds. This will ensure continued departmental services and operations which serve the public good.

Impact on the department and other agencies: This bill will benefit DOT by allowing it to meet operating shortfalls.

GENERAL FUND: None.

OTHER FUNDS: \$3,952,250 from TRN595/DB Highways Administration to TRN501/DC Oahu Highways.

PPBS PROGRAM DESIGNATION: TRN595 and TRN501.

OTHER AFFECTED AGENCIES: Department of Transportation.

EFFECTIVE DATE: Upon approval.