

STAND. COM. REP. NO. 185

Honolulu, Hawaii

FEB 10 2025

RE: S.B. No. 375  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Sir:

Your Committee on Government Operations, to which was referred S.B. No. 375 entitled:

"A BILL FOR AN ACT RELATING TO GOVERNMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish and appropriate funds for a Select Commission on Government Restructuring to examine and issue recommendations on the sharing of funds and duties between the State and counties, particularly in the areas of education, health, and public safety;
- (2) Require the Select Commission to submit interim and final reports to the Legislature; and
- (3) Dissolve the Select Commission on December 31, 2027.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that the State's unique history has led to a distinct fiscal structure and division of duties which has made the State primarily responsible for funding education, health, and public safety, where county governments would traditionally bear responsibility. However, your Committee



recognizes that the State's economic transformation and present challenges to revenue generation have led to issues of service delivery. To modernize, equitably fund services, and efficiently provide for residents, the State must reexamine and restructure the allocation of funding and duties between itself and county governments. This measure establishes a Select Commission on Government Restructuring to undertake this analysis and provide recommendations to the Legislature.

Your Committee notes that this measure, as introduced, contains an unspecified appropriation amount. Should your Committee on Ways and Means choose to deliberate on this measure, your Committee respectfully requests that it consider inserting an appropriation amount of \$50,000 for the establishment and implementation of the Select Commission on Government Restructuring, based on the predicted size and duties of the Select Commission.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 1, 2525, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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. 375, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 375, 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,



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ANGUS L.K. MCKELVEY, Chair



