
A BILL FOR AN ACT

RELATING TO THE OFFICE OF THE LEGISLATIVE ANALYST.

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

1 SECTION 1. The legislature finds that numerous states
2 incorporate fiscal notes into their legislative process, which
3 increase public transparency by disclosing the potential
4 financial impact a measure would have on the state and local
5 government. The Council of State Governments reports that
6 forty-four states include "projected future cost" in their bill
7 notes. Some states require fiscal notes in their house rules,
8 while others require them in statute. In contrast, Hawaii does
9 not require fiscal notes to accompany measures during the
10 legislative process. Therefore, representatives and senators
11 are forced to vote on measures without knowing the financial
12 impact of their decisions.

13 In 1990, Act 347 established the office of the legislative
14 analyst to provide the legislature with economic analysis and
15 research relating to budget and revenues. The original Act
16 appropriated \$100,000 to the office of the legislative analyst



1 for salaries and equipment. Nevertheless, the office does not
2 operate today.

3 The purpose of this Act is to require the office of
4 legislative analyst to produce fiscal notes on all fiscal bills
5 and appropriate funds for the office's operation.

6 SECTION 2. Section 21F-6, Hawaii Revised Statutes, is
7 amended to read as follows:

8 **"[§] 21F-6[§] Office of the legislative analyst**
9 **established.** (a) There is established the office of the
10 legislative analyst ~~[to be administered by the committee]~~. The
11 ~~committee~~ legislature, by a majority vote of each house in
12 joint session, shall appoint a legislative analyst who shall
13 serve for a period of four years. The ~~committee~~, by a three-
14 ~~fourths vote of its members,~~ legislature, by a majority vote of
15 each house in joint session, may remove the legislative analyst
16 from office, but only for cause. ~~[The committee shall fix the~~
17 ~~salary of the legislative analyst.]~~ The salary of the
18 legislative analyst shall be the same as the salary of the
19 director of the legislative reference bureau.

20 (b) The legislative analyst may employ ~~[other clerical and~~
21 ~~technical employees]~~ a first assistant and other employees as



1 may be necessary to carry out the functions of the office. The
2 legislative analyst, first assistant, and other ~~clerical and~~
3 ~~technical~~ employees shall be entitled to participate in any
4 employee benefit program plan or privilege generally available
5 to state employees."

6 SECTION 3. Section 21F-7, Hawaii Revised Statutes, is
7 amended to read as follows:

8 "[§21F-7] **General purposes of analyst.** (a) The
9 purpose of the office of the legislative analyst shall be:
10 (1) To provide the legislature with research and analysis
11 of current and projected state revenues and
12 expenditures;
13 (2) To provide the legislature with a report analyzing the
14 governor's proposed levels of revenue and expenditures
15 for biennial budgets submitted under chapter 37 as
16 well as other supplemental budget submittals to the
17 legislature by the governor;
18 (3) To provide an analysis of the impact of the governor's
19 proposed revenue and expenditure plans for the next
20 biennium;





house committee or senate committee of the legislature
to which the measure is referred.

- (1) The relative dependence on state tax revenues, federal funds, and user fees to support state-funded programs, and whether the existing mix of revenue sources is appropriate, given the purposes of the programs;
- (2) The relative percentages of state expenditures that are devoted to major programs such as education, assistance to local government, aid to individuals, state agencies and institutions, and debt service; and
- (3) The role of the legislature in overseeing state government expenditures, including legislative appropriation of money from the general fund, legislative appropriation of money from funds other than the general fund, state agency receipt of money into revolving and other dedicated funds and expenditure of money from these funds, and state agency expenditure of federal funds."



1 SECTION 4. Section 21F-8, Hawaii Revised Statutes, is
2 amended to read as follows:

3 **"[§] 21F-8[§] Agencies to cooperate.** (a) All
4 departments, agencies, and education institutions of the
5 executive and judicial branches, the office of Hawaiian affairs,
6 and the University of Hawaii shall comply with requests of the
7 office of the legislative analyst for information, data,
8 estimates, and statistics on the funding revenue operations, and
9 other affairs of the department, agency, education institution,
10 the office of Hawaiian affairs, or University of Hawaii. The
11 comptroller, the director of finance, the director of taxation,
12 the administrative director of the courts, the administrator of
13 the office of Hawaiian affairs, and the president of the
14 University of Hawaii shall provide the office of the legislative
15 analyst with full and free access to information, data,
16 estimates, and statistics in the possession of their respective
17 departments on the state budget, revenue, expenditures, and tax
18 revenue and expenditures.

19 (b) All departments, agencies, and education institutions
20 of the executive and judicial branches, the office of Hawaiian
21 affairs, the university of Hawaii, and county departments and



1 agencies shall promptly provide any information requested by the
2 legislative analyst for preparing a fiscal note, including but
3 not limited to an estimate, in dollars, of the amount by which
4 the bill would increase or decrease the revenues received or
5 expenditures made by the department, agency, or office."

6 SECTION 5. Chapter 21F, Hawaii Revised Statutes, is
7 amended by adding a new section to be appropriately designated
8 and to read as follows:

9 "**§21F- Fiscal notes.** (a) A fiscal note, where possible,
10 shall:
11 (1) Cite the effect of the measure in dollar amounts;
12 (2) Cite the statutory provisions affected;
13 (3) Estimate the increase or decrease in revenues or
14 expenditures by the state or counties;
15 (4) Include the costs which may be absorbed without
16 additional funds;
17 (5) Include the assumptions used in determining the cost
18 estimates; and
19 (6) Specify any long-range implication.



1 (b) A fiscal note may comment on technical or mechanical
2 defects in the bill but shall express no opinions concerning the
3 merits of the proposal.

4 (c) A copy of the fiscal note shall be delivered to the
5 chair of the senate committee on ways and means, the chair of
6 the house committee on finance, the chairs of the standing
7 committees to which the bill has been referred, and to the first
8 primary introducer of the bill. No committee shall make a
9 decision regarding disposition of a fiscal bill without having
10 received a completed fiscal note for review and informed
11 decision making.

12 (d) Any fiscal note produced by the office of the
13 legislative analyst for a measure up for consideration shall be
14 a legislative document attached as an addendum to the measure's
15 standing committee report and shall be made available to the
16 public."

17 SECTION 6. There is appropriated out of the general
18 revenues of the State of Hawaii the sum of \$ or so
19 much thereof as may be necessary for fiscal year 2026-2027 for
20 the operations of the office of the legislative analyst,
21 including the payment of salaries of the legislative analyst,



1 first assistant, and other employees as may be necessary, and
2 the purchase of necessary equipment.

3 The sum appropriated shall be expended by the office of the
4 legislative analyst for the purposes of this Act.

5 SECTION 7. Statutory material to be repealed is bracketed
6 and stricken. New statutory material is underscored.

7 SECTION 8. This Act shall take effect on July 1, 2026.

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INTRODUCED BY:



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JAN 27 2026



H.B. NO. 2364

Report Title:

Office of Legislative Analyst; Fiscal Notes; Transparency; Appropriation

Description:

Requires the office of the legislative analyst to produce fiscal notes on all fiscal bills. Prohibits a committee from making a decision on a fiscal bill without a fiscal note. Mandates that fiscal notes be made available to the public. Appropriates funds.

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