

JAN 23 2026

# A BILL FOR AN ACT

RELATING TO BUDGET-RELATED REPORTS.

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

SECTION 1. Section 37-70, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) ~~[Not]~~ No later than the third Wednesday of January of each odd-numbered year, the governor shall submit to the legislature and to each member thereof ~~[7]~~ a program memorandum covering each of the major programs in the statewide program structure ~~[7]~~; provided that the governor shall ensure that each program memorandum submitted pursuant to this section accurately reflects the current responsibilities of the applicable program, addresses the current and future needs of the State, and aligns with the information submitted pursuant to section 37-71 by reviewing and updating, as necessary, the most recently submitted program memoranda. Each program memorandum ~~[will]~~ shall include:

(1) An overview of the program as a whole, including a discussion of:

(A) Objectives ~~[7]~~;



- (B) Component programs[~~-~~];
- (C) Departments involved[~~-~~];
- (D) Relationships to other agencies and  
jurisdictions[~~-~~];
- (E) Major activities[~~-~~];
- (F) Important external developments affecting the  
program[~~-~~];
- (G) Significant discrepancies between previously  
planned cost and effectiveness levels and those  
actually achieved[~~-~~]; and
- (H) Trends and comparisons in costs, effectiveness,  
or activity data over the budget and planning  
period[~~-~~];
- (2) A statement of the major program changes being  
recommended for the budget and planning period to  
include for each proposed change:
- (A) A brief statement of the recommended change[~~-~~];
- (B) The cost and program performance consequences of  
the change over the budget and planning  
period[~~-~~]; and



(C) A summary of the analytic rationale for the  
change[~~-~~];

(3) A discussion of emerging conditions, trends, and  
issues, including:

(A) Actual or potential impact on the State and its  
programs[~~-~~];

(B) Possible alternatives for dealing with the  
specific problems occasioned by the emerging  
conditions, trends, and issues[~~-~~]; and

(C) Suggestions for a program of analyses to resolve  
the most urgent of the problems[~~-~~]; and

(4) Appendices as needed to include appropriate issue  
papers, special analytic studies, other reports, and  
crucial source data."

SECTION 2. Section 37-75, Hawaii Revised Statutes, is  
amended to read as follows:

**"§37-75 Variance report.** Not fewer than thirty days prior  
to the convening of each regular session [~~of the legislature~~],  
the governor shall submit to the legislature and to each member  
thereof a report on program performance for the last completed  
fiscal year and the fiscal year in progress. In format, the



1 report generally shall follow the fiscal requirements portion of  
2 the executive budget or budgets. The report shall include:

3 (1) At the lowest level of the program structure, for each  
4 program contained in the budget finally approved by  
5 the legislature for the last completed fiscal year and  
6 the fiscal year in progress:

7 (A) A comparison, by the operating and research and  
8 development cost categories, of the budgeted  
9 expenditures and the actual expenditures for the  
10 last completed fiscal year and the budgeted  
11 expenditures and the estimated expenditures for  
12 the fiscal year in progress;

13 (B) A comparison, for the operating and research and  
14 development cost categories, of the budgeted  
15 expenditures and position ceiling and the actual  
16 expenditures and positions filled in the last  
17 completed fiscal year and a comparison of the  
18 budgeted expenditures and the position ceiling  
19 for the fiscal year in progress and the actual  
20 expenditures and number of positions filled in  
21 the first three months of the fiscal year in



1 progress and the estimated expenditures and  
2 number of positions expected to be filled in the  
3 remaining months of the fiscal year in progress;

4 (C) The program size indicators and a comparison of  
5 the program size anticipated and the size  
6 actually realized in the last completed fiscal  
7 year and the program size anticipated and the  
8 size estimated for the fiscal year in progress;  
9 provided that the governor shall ensure that each  
10 program size indicator used herein accurately  
11 reflects the current responsibilities of the  
12 applicable program, addresses the current and  
13 future needs of the State, and aligns with the  
14 information submitted pursuant to sections 37-71  
15 and 37-72 by reviewing and updating the most  
16 recently used program size indicators, as  
17 necessary;

18 (D) The effectiveness measures and a comparison of  
19 the level of effectiveness anticipated and the  
20 level actually attained in the last completed  
21 fiscal year and the level of effectiveness



1           anticipated and the level estimated for the  
2           fiscal year in progress; provided that the  
3           governor shall ensure that each effectiveness  
4           measure used herein accurately reflects the  
5           current responsibilities of the applicable  
6           program, addresses the current and future needs  
7           of the State, and aligns with the information  
8           submitted pursuant to sections 37-71 and 37-72 by  
9           reviewing and updating the most recently used  
10          effectiveness measures, as necessary; and

11          (E) A narrative explanation of the significant  
12          differences for the last completed fiscal year in  
13          each of the comparisons made in subparagraphs  
14          (A), (B), (C), and (D), including an explanation  
15          of the basis upon which the original estimates  
16          were made and the reasons why the estimates  
17          proved accurate or inaccurate, and a statement of  
18          what the actual experience portends for the  
19          future of the program in terms of costs, size,  
20          and effectiveness;



provided that expenditure amounts in the comparisons shall be shown to the nearest thousand dollars;

(2) Appropriate summaries at each level of the state program structure for each major grouping of programs encompassed therein, showing:

(A) A comparison of the total budgeted expenditure and the total actual expenditure for the last completed fiscal year and the total budgeted expenditure and the total estimated expenditure for the fiscal year in progress; provided that the expenditure amounts shall be shown to the nearest thousand dollars;

(B) The effectiveness measures and a comparison of the level of effectiveness anticipated and the level actually attained in the last completed fiscal year and the level of effectiveness anticipated and the level estimated for the fiscal year in progress; and

(C) A narrative explanation summarizing the major reasons for the differences in the comparisons

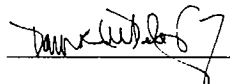


1                   made for the last completed fiscal year in  
2                   subparagraphs (A) and (B); and  
3       (3) A narrative explanation of the significant variations  
4           in capital improvement costs; provided that capital  
5           improvement project variances shall be referenced to  
6           the six-year program and financial plan, which shall  
7           contain the information specified in  
8           section 37-69(d) (1) (K)."

9       SECTION 3. Statutory material to be repealed is bracketed  
10   and stricken. New statutory material is underscored.

11       SECTION 4. This Act shall take effect upon its approval.

12

INTRODUCED BY: 



# S.B. NO. 2809

**Report Title:**

Governor; Budget-Related Reports; Program Memoranda; Variance Reports; Program Size Indicators; Effectiveness Measures; Reviews; Updates

**Description:**

Requires the Governor to ensure that the Governor's program memoranda and variance reports accurately reflect the current responsibilities of certain state programs, address the current and future needs of the State, and align with budget-related submittals.

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

