

JAN 23 2026

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 Hawaii is the only
2 state in the country that does not have an independent office or
3 process that produces fiscal notes. Elsewhere, states possess
4 statutory or legislative rules requiring fiscal notes or
5 equivalent fiscal analyses to assess a bill's financial impacts.
6 By contrast, while Hawaii established an office of the
7 legislative analyst in 1990, the office has never been funded or
8 staffed, resulting in reliance on informal cost estimates
9 largely stemming from input by departments, the executive
10 branch, or budget committees. Lacking a standardized process or
11 even minimum requirements for information that is provided prior
12 to key votes, legislators are often forced to vote on measures
13 without knowing the financial impact of their decisions.

14 Therefore, the purpose of this Act is to fund and staff the
15 office of the legislative analyst with the additional
16 requirement of producing fiscal notes on all fiscal bills.



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

3 **"[§]S21F-6[§] Office of the legislative analyst**

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

15 (b) The legislative analyst may employ ~~[other clerical and~~
16 ~~technical employees] a first assistant and other employees as~~
17 may be necessary to carry out the functions of the office. The
18 legislative analyst, first assistant and other ~~[clerical and~~
19 ~~technical]~~ employees shall be entitled to participate in any
20 employee benefit program plan or privilege generally available
21 to state employees."



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

3 "[+]S21F-7[+] **General purposes of analyst.** (a) The
4 purpose of the office of the legislative analyst shall be:
5 (1) To provide the legislature with research and analysis
6 of current and projected state revenues and
7 expenditures;
8 (2) To provide the legislature with a report analyzing the
9 governor's proposed levels of revenue and expenditures
10 for biennial budgets submitted under chapter 37 as
11 well as other supplemental budget submittals to the
12 legislature by the governor;
13 (3) To provide an analysis of the impact of the governor's
14 proposed revenue and expenditure plans for the next
15 biennium;
16 (4) To conduct research matters of economic and fiscal
17 policy and to report to the legislature on the result
18 of the research;
19 (5) To provide economic reports and studies on the state
20 of the State's economy, including trends and forecasts
21 for consideration by the legislature;



1 (6) To conduct budget and tax studies and provide general
2 fiscal and budgetary information;

3 (7) To review and make recommendations on the operation of
4 state programs in order to appraise the implementation
5 of state laws regarding the expenditure of funds and
6 to recommend means of improving their efficiency;

7 [and]

8 (8) To recommend to the legislature changes in the mix of
9 revenue sources for programs, in the percentage of
10 state expenditures devoted to major programs, and in
11 the role of the legislature in overseeing state
12 government expenditures and revenue projections[.];
13 and

14 (9) To prepare a fiscal note to accompany each fiscal bill
15 before the measure is recommended for passage by each
16 house committee or senate committee of the legislature
17 to which the measure is referred.

18 (b) In performing the duties under subsection (a), the
19 legislative analyst shall consider, among other things:
20 (1) The relative dependence on state tax revenues, federal
21 funds, and user fees to support state-funded programs,



1 and whether the existing mix of revenue sources is
2 appropriate, given the purposes of the programs;
3 (2) The relative percentages of state expenditures that
4 are devoted to major programs such as education,
5 assistance to local government, aid to individuals,
6 state agencies and institutions, and debt service; and
7 (3) The role of the legislature in overseeing state
8 government expenditures, including legislative
9 appropriation of money from the general fund,
10 legislative appropriation of money from funds other
11 than the general fund, state agency receipt of money
12 into revolving and other dedicated funds and
13 expenditure of money from these funds, and state
14 agency expenditure of federal funds."

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

17 "~~§21F-8~~ **Agencies to cooperate.** (a) All
18 departments, agencies, and education institutions of the
19 executive and judicial branches, the office of Hawaiian affairs,
20 and the University of Hawaii shall comply with requests of the
21 office of the legislative analyst for information, data,



1 estimates, and statistics on the funding revenue operations, and
2 other affairs of the department, agency, education institution,
3 the office of Hawaiian affairs, or University of Hawaii. The
4 comptroller, the director of finance, the director of taxation,
5 the administrative director of the courts, the administrator of
6 the office of Hawaiian affairs, and the president of the
7 University of Hawaii shall provide the office of the legislative
8 analyst with full and free access to information, data,
9 estimates, and statistics in the possession of their respective
10 departments on the state budget, revenue, expenditures, and tax
11 revenue and expenditures.

12 (b) All departments, agencies, and education institutions
13 of the executive and judicial branches, the office of Hawaiian
14 affairs, the University of Hawaii, and county departments and
15 agencies shall promptly provide any information requested by the
16 legislative analyst for preparing a fiscal note, including but
17 not limited to an estimate, in dollars, of the amount by which
18 the bill would increase or decrease the revenues or expenditures
19 received or made by the department, agency, or office."



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

4 **"S21F- Fiscal notes.** (a) A fiscal note, where possible,
5 shall:

6 (1) Cite the effect of the measure in dollar amounts;
7 (2) Cite the statutory provisions affected;
8 (3) Estimate the increase or decrease in revenues or
9 expenditures by the state or counties;
10 (4) Include the costs which may be absorbed without
11 additional funds;
12 (5) Include the assumptions used in determining the cost
13 estimates; and
14 (6) Specify any long-range implication.

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

18 (c) A copy of the fiscal note shall be delivered to the
19 chair of the senate committee on ways and means, the chair of
20 the house committee on finance, the chairs of the standing
21 committees to which the bill has been referred, and to the first



1 primary introducer of the bill. A copy of the fiscal note shall
2 also be made available to any other legislator upon request. No
3 committee shall make a decision regarding disposition of a
4 fiscal bill without having received a completed fiscal note for
5 review and informed decision making.

6 (d) Any fiscal note produced by the office of the
7 legislative analyst for a measure up for consideration shall be
8 a legislative document attached as an addendum to the measure's
9 standing committee report and shall be made available to the
10 public."

11 SECTION 6. There is appropriated out of the general
12 revenues of the State of Hawaii the sum of \$ or so
13 much thereof as may be necessary for fiscal year 2026-2027 and
14 the same sum or so much thereof as may be necessary for fiscal
15 year 2027-2028 for the operations of the office of the
16 legislative analyst, including the payment of salaries of the
17 legislative analyst, first assistant, and other employees as may
18 be necessary, and the purchase of necessary equipment.

19 The sums appropriated shall be expended by the office of
20 the legislative analyst for the purposes of this Act.



1 SECTION 7. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

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

4

INTRODUCED BY: 



S.B. NO. 2822

Report Title:

Office of the Legislative Analyst; Fiscal Notes; Transparency
(\$)

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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