

## ACT 136

H.B. NO. 1913-86

A Bill for an Act Relating to the Legislative Auditor.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 26H-5, Hawaii Revised Statutes, is amended to read as follows:

**“§26H-5 Evaluation; report.** (a) The legislative auditor shall evaluate each board, commission, and regulatory program created under a chapter repealed by section 26H-4 and shall submit an evaluation report to the legislature prior to the convening of the regular session of the year of the repeal date; provided that the legislative auditor shall evaluate each board, commission, and regulatory program at least once every ten years. The evaluation shall assess whether the regulatory program established by the chapter complies with the policies established by section 26H-2 and whether the public interest requires that the chapter be reenacted, modified, or permitted to expire.

**(b) If the auditor finds that the chapter should be modified, the auditor shall incorporate in the auditor’s report, drafts of recommended legislation to be considered for enactment and which, if enacted, would improve the policies, procedures, and practices of the regulatory program evaluated. The auditor may request the assistance of the legislative reference bureau in drafting such recommended legislation. Any other law to the contrary notwithstanding, the auditor may release copies of preliminary reports to the legislative reference bureau if the auditor requests the legislative reference bureau’s assistance under this subsection. The legislative reference bureau shall comply with the auditor’s request if the auditor provides a copy of the preliminary report to the bureau at the same time the report is provided to a board, commission, or regulatory program pursuant to subsection (d).**

**(c) Each board or commission and the director shall assist the auditor in collecting and reporting such data as the auditor may require to conduct the evaluation. Even if the auditor finds that the chapter should not be reenacted, the auditor shall evaluate the effectiveness and efficiency of the regulatory program and make appropriate recommendations to improve the policies, procedures, and practices. The legislature may hold a public hearing on each**

evaluation report. If the auditor finds that a regulatory program within the chapter should be permitted to expire, the auditor shall make recommendations, if needed, for appropriate restrictions to be placed on the program subsequent to the termination of regulation.

[(b)] (d) The legislative auditor shall provide each board, commission, or regulatory program evaluated pursuant to this chapter not less than thirty days to review and comment upon the evaluation report prior to submission of the report to the legislature; provided that if the legislative auditor fails to provide the thirty day review and comment period to the board, commission, or regulatory program being evaluated, the chapter subject to repeal shall be automatically reenacted for a period of one year. If the legislative auditor receives written comments from the board, commission, or department of commerce and consumer affairs, the legislative auditor shall append the written comments to each copy of the evaluation report prior to submission to the legislature.”

SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved May 12, 1986.)