

ACT 247

H.B. NO. 2840

A Bill for an Act Relating to State Government.

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

SECTION 1. The purpose of this Act is to ensure that scarce state resources are devoted to core government functions as specified in the Hawaii state plan and

functional plans and to provide a mechanism by which all state government programs may be classified according to whether they implement core government functions.

SECTION 2. (a) There is established within the legislature, for administrative purposes, the core government functions advisory commission. The commission is deemed to be temporary and for a special purpose in order to satisfy the requirements of article V, section 6, of the State Constitution.

(b) The purposes of the advisory commission shall be to:

- (1) Determine whether and to what extent state programs implement core government functions as specified in the Hawaii state plan and functional plans; and
- (2) Recommend how core government functions can be improved through the elimination, reorganization, or improvement of programs deemed non-core programs or the redistribution of their resources, or both.

(c) The advisory commission shall be composed of fifteen members to be appointed as follows:

- (1) Two by the speaker of the house of representatives;
- (2) One by the minority leader of the house of representatives;
- (3) Two by the president of the senate;
- (4) One by the minority leader of the senate;
- (5) One by the chief justice;
- (6) One by each of the mayors of the respective counties; and
- (7) Four by the governor.

The appointors of advisory commission members shall strive to the extent possible to appoint a commission representative of the community, including business, public and private sector labor organizations, and state and county government.

The advisory commission shall appoint a chairperson from among its own members.

(d) The advisory commission shall have the following duties:

- (1) Determine, using whatever information and expertise is available to it, standards and criteria for the identification of core government functions by reference to the goals, objectives, policies, and priorities specified in the Hawaii state plan and functional plans;
- (2) Complete a fair and credible review of each state program to determine whether, as operated or as modified, it implements a core government function; and
- (3) Determine, by reference to the core government functions standards and criteria identified under subsection (1) and the determination under subsection (2), what non-core programs may be eliminated or modified to realize appropriate savings in the state operating budget.

(e) The advisory commission's work shall be divided into two phases.

Phase I shall consist of a basic review of each state program in accordance with subsection (d). A basic program review shall result in each state program being designated as "core" or "non-core" in terms of whether it does or does not implement a core government function as identified by the commission.

Phase II shall consist of a ranking of non-core programs with the goal of providing criteria for implementing any necessary reductions in the state operating budget.

(f) The advisory commission shall collect and analyze the following information in relation to each program:

- (1) The legal authority for the program;

- (2) The needs addressed by the program, including the consequences that would occur if it did not exist;
- (3) The goals and objectives of the program;
- (4) The major activities of the program;
- (5) Direct services to individuals and communities provided by the program;
- (6) The target groups served by the program;
- (7) The budget for the program in terms of dollars and full-time equivalent personnel;
- (8) Evidence of the program's effectiveness;
- (9) Client satisfaction and perceptions of program value, if available; and
- (10) The specific elements of core government functions that are addressed by the program.

(g) The advisory commission shall use the following criteria to determine core government functions standards and criteria:

- (1) The importance or centrality of the program to the Hawaii state plan and functional plans;
- (2) The extent to which the program provides direct services to individuals or communities, or both;
- (3) The extent to which the program is needed to ensure individuals' health, safety, and civil rights; and
- (4) The extent to which the program is needed to comply with legal mandates.

SECTION 3. (a) The core government functions advisory commission shall submit its findings and recommendations to the legislature at least twenty days prior to the convening of the regular session of 2003.

(b) As part of its findings and recommendations, the advisory commission shall propose legislation to eliminate, reorganize, or improve designated programs or redistribute their resources, or both, to reduce the state operating budget for fiscal biennium 2003-2005.

SECTION 4. The core government functions advisory commission shall cease to exist after June 30, 2003.

SECTION 5. This Act shall take effect upon its approval.

(Approved July 1, 2002.)