

A Bill for an Act Relating to Reports to the Legislature.

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

SECTION 1. Section 37-52.5, Hawaii Revised Statutes, is amended to read as follows:

“**[§37-52.5(H)] Criteria for the establishment and continuance of administratively established accounts and funds.** ~~[Any]~~ (a) ~~Except for the judiciary, any~~ department or agency that administratively establishes any new account or fund ~~[shall]~~, within thirty working days of its establishment, shall transmit a report to the legislature. The report to the legislature shall include:

- (1) The justification for the establishment of the account or fund; and
- (2) The sources of revenue for the fund.

~~[Each]~~ (b) ~~Except for the judiciary, each~~ department or agency ~~[shall]~~, at least twenty days prior to the convening of each regular session, shall submit a report to the legislature. The report shall include:

- (1) A list of all administratively established accounts or funds; and
- (2) All revenues, expenditures, encumbrances, and ending balances of each account or fund.”

SECTION 2. Section 40-82, Hawaii Revised Statutes, is amended to read as follows:

“**§40-82 Uncollectible accounts.** (a) The directors, boards, or executive heads of executive departments ~~[may]~~, from time to time, may prepare and submit for the review of the attorney general a list of all uncollectible accounts in their departments. Such accounts as the attorney general finds to be uncollectible shall be entered in a special record and be deleted from the accounts receivable records of the departments, which shall thereupon be relieved from any further accountability for their collection; provided that no account shall be so deleted until it shall have been delinquent for at least two consecutive years. Any account entered in the special record shall be transferred back to the current accounts receivable if the attorney general finds that the facts as alleged and presented to the attorney general were not true, or that the account has become collectible.

As used in this section, “uncollectible account” means an account with regard to which:

- (1) The debtor or party causing damage to property belonging to the State is no longer within the jurisdiction of the State;
- (2) The debtor or party causing damage to property belonging to the State cannot be located;
- (3) The party causing damage to property belonging to the State is unknown or cannot be identified;
- (4) The debtor has filed for bankruptcy and has listed the State as a creditor; or
- (5) Any other account as may be deemed by the attorney general to be uneconomical or impractical to collect.

(b) The judiciary ~~[may]~~, from time to time, may prepare lists of all delinquent fines and restitution, which in its judgment are uncollectible. The fines or restitution that the judiciary finds to be uncollectible shall be entered in a special record and be deleted from the other books kept by the judiciary, and the judiciary shall thereupon be released from any further accountability for their collection; provided that no

[~~account~~] fine or restitution shall be so deleted until it shall have been delinquent for at least two years. Any [~~finer~~] fine or restitution so written off may be transferred back to the judiciary's accounts receivable if the judiciary finds that the [~~alleged~~] facts as alleged and previously presented to it were not true, or that the fines or restitution are in fact collectible, or that the fines or restitution have become collectible. Nothing in this [~~section~~] subsection shall preclude a person to whom restitution is owed from pursuing collection of the debt.

~~(c) The judiciary shall submit an annual report to the legislature, no later than twenty days prior to the convening of each regular session, which shall summarize the types and amounts of uncollectible delinquent fines and restitution that either were:~~

- ~~(1) Entered in a special record and deleted from the judiciary's other books; or~~
- ~~(2) Transferred back to the judiciary's accounts receivable.~~

~~(d) (c) The University of Hawaii [may], from time to time, may prepare for the review of the university general counsel a list of all uncollectible accounts. Such accounts as the university general counsel finds to be uncollectible shall be entered into a special record and be deleted from the accounts receivable records of the university, which shall thereupon be relieved from any further accountability for their collection; provided that no account shall be so deleted until it shall have been delinquent for at least two consecutive years. Any account entered in the special record shall be transferred back to the current accounts receivable if the university general counsel finds that the account has become collectible.~~

~~(e) (d) The university shall submit an annual report to the legislature, no later than twenty days prior to the convening of each regular session, [which] that shall summarize the types and amounts of uncollectible delinquent [fines and restitution] accounts that either were:~~

- ~~(1) Entered in a special record and deleted from the university's other books; or~~
- ~~(2) Transferred back to the university's accounts receivable."~~

SECTION 3. Section 353B-4, Hawaii Revised Statutes, is amended to read as follows:

~~"[~~§~~353B-4] **Expenditures[; reports]**. Expenditures by the council, including the amounts fixed annually as the equal contribution of each member to the compact, shall be made upon warrants issued by the state comptroller based upon vouchers approved by any one of the commissioners. [~~A report of the activities and expenses of the commissioners and a proposed program for the State's continuing participation in the activities of the interstate commission for adult supervision, including a budget request, shall be submitted by the commissioners to each regular session of the legislature.]"~~~~

SECTION 4. Act 100, Session Laws of Hawaii 1999, is amended by amending sections 6 and 7 to read as follows:

~~"SECTION 6. The legislature finds that our state departments and agencies should constantly be working towards improving the effectiveness and efficiency of our government. Improving government operations through strategic planning can result in increased and more effective government programs and improved coordination among different agencies and levels of government, and optimal use of state funds and personnel.~~

~~The legislature believes that the development of goals and objectives is essential for state departments and agencies to determine priorities, guide their~~

decisions, and measure the effectiveness of their programs and services. Moreover, goals and objectives would assist the legislature in evaluating the budgetary needs of departments and agencies.

The legislature further finds that many of our State's departments and agencies have not formally established goals and objectives. Accordingly, the purpose of this Act is to require all departments and agencies, except for the judiciary, to identify their goals, objectives, and policies, to provide a basis for determining priorities and allocating limited public funds and human resources.

SECTION 7. [Every] Except for the judiciary, every department and agency of the State shall develop and submit to the legislature no later than twenty days prior to the start of the regular session of 2000 and each regular session thereafter, an annual report addressing the following:

- (1) A statement of goals, including what the department or agency hopes to accomplish over both the short and long term;
- (2) Objectives and policies, specifically setting forth how each goal can and will be accomplished;
- (3) An action plan with a timetable indicating how the established objectives and policies will be implemented in one, two, and five years; and
- (4) The process that the department or agency will use to measure the performance of its programs and services in meeting the stated goals, objectives, and policies."

SECTION 5. Act 90, Session Laws of Hawaii 2001, section 2, is amended by amending section -3 to read as follows:

"§ -3 **Annual reports.** [Each] Except for the judiciary, each state and county department and agency that uses the contracting process set out in this chapter, shall submit a report to the legislature no later than twenty days prior to the convening of the regular session of each year beginning with 2002. The report shall include:

- (1) An itemization of all services that were outsourced or subjected to the processes set out in this chapter;
- (2) The agency's or department's justification that standards for determination were met;
- (3) The cost of services obtained through the process set out in this chapter;
- (4) A copy of all contracts entered into under this chapter; and
- (5) An accounting of civil service employees displaced as a consequence of this chapter."

SECTION 6. Act 203, Session Laws of Hawaii 1996, is amended by repealing section 6.

[~~"SECTION 6. The judiciary and the department of commerce and consumer affairs shall submit a joint report to the legislature on an annual basis regarding the status and results of the program. The legislature may require such further reports as it deems necessary."~~]

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

SECTION 8. This Act shall take effect on July 1, 2005.

(Approved June 23, 2005.)