<u>H.B. NO. 1013</u>

A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES.

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

SECTION 1. Section 26-6, Hawaii Revised Statutes, is
 amended to read as follows:

3 "§26-6 Department of accounting and general services.
4 (a) The department of accounting and general services shall be
5 headed by a single executive to be known as the comptroller.
6 (b) The department shall:

- 7 (1) Preaudit and conduct after-the-fact audits of the
 8 financial accounts of all state departments to
 9 determine the legality of expenditures and the
 10 accuracy of accounts;
- 11 (2) Report to the governor and to each regular session of
 12 the legislature as to the finances of each department
 13 of the State;
- 14 (3) Administer the state risk management program;

15 (4) Establish and manage motor pools;

16 (5) Manage the preservation and disposal of all records of17 the State;

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| 1 | (6) | Undertake the program of centralized engineering and |
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| 2 | | office leasing services, including operation and |
| 3 | | maintenance of public buildings, for departments of |
| 4 | | the State; |
| 5 | (7) | Undertake the functions of the state surveyor; |
| 6 | (8) | Establish accounting and internal control systems; |
| 7 | (9) | Provide centralized computer information management |
| 8 | | and processing services, coordination in the use of |
| 9 | | all information processing equipment, software, |
| 10 | | facilities, and services in the executive branch of |
| 11 | | the State, and consultation and support services in |
| 12 | | the use of information processing and management |
| 13 | | technologies to improve the efficiency, effectiveness, |
| 14 | | and productivity of state government programs; and |
| 15 | (10) | Establish, coordinate, and manage a program to provide |
| 16 | | a means for public access to public information and |
| 17 | | develop and operate an information network in |
| 18 | | conjunction with its overall plans for establishing a |
| 19 | | communication backbone for state government. |
| 20 | (c) | The state communication system shall be established |
| 21 | to: | |

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| 1 | (1) Facilitate implementation of the State's distributed | | |
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| 2 | information processing and information resource | | |
| 3 | management plans; | | |
| 4 | (2) Improve data, voice, and video communications in state | | |
| 5 | government; | | |
| 6 | (3) Provide a means for connectivity among the state, | | |
| 7 | university, and county computer systems; and | | |
| 8 | (4) Provide a long-term means for public access to public | | |
| 9 | information. | | |
| 10 | (d) The department may adopt rules as may be necessary or | | |
| 11 | desirable for the operation and maintenance of public buildings, | | |
| 12 | and for the operation and implementation of a program to provide | | |
| 13 | a means for public access to the State's information network | | |
| 14 | system and public information. The rules shall be adopted | | |
| 15 | pursuant to chapter 91. | | |
| 16 | (e) The King Kamehameha celebration commission shall be | | |
| 17 | placed within the department of accounting and general services | | |
| 18 | for administrative purposes. The functions, duties, and powers, | | |
| 19 | subject to the administrative control of the comptroller, and | | |
| 20 | the composition of the commission shall be as heretofore | | |
| 21 | provided by law. | | |

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| 1 | (f) The functions and authority heretofore exercised by |
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| 2 | the comptroller, board of commissioners of public archives, the |
| 3 | archivist, the disposal committee, and the insurance management, |
| 4 | surplus property management, and central purchasing functions of |
| 5 | the bureau of the budget and the nonhighway functions of the |
| 6 | department of public works as heretofore constituted are |
| 7 | transferred to the department of accounting and general services |
| 8 | established by this chapter. |
| 9 | (g) The comptroller may appoint two positions without |
| 10 | regard to chapter 76, for the purpose of quickly acquiring and |
| 11 | applying high-demand, highly specialized technology skills and |
| 12 | knowledge that are necessary to improve the operation of |
| 13 | government and service delivery to the public." |
| 14 | SECTION 2. Statutory material to be repealed is bracketed |
| 15 | and stricken. New statutory material is underscored. |
| 16 | SECTION 3. This Act shall take effect upon its approval. |
| 17 | 10-0-11 k |
| 18 | INTRODUCED BY: Ching M. My |
| 19 | BY REQUEST |

JAN 2 6 2009

Report Title:

Accounting and General Services; Exempt Positions

Description:

Establishes two permanent exempt positions within the Department of Accounting and General Services for the purpose of acquiring and applying highly specialized technology skills and knowledge.

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JUSTIFICATION SHEET

DEPARTMENT:

Accounting and General Services, Information and Communication Services Division

TITLE: A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES.

PURPOSE:

To establish two permanent exempt positions within the Department of Accounting and General Services (DAGS).

MEANS:

Amend section 26-6, Hawaii Revised Statutes (HRS).

JUSTIFICATION: This measure would allow the DAGS/Information and Communication Services Division (ICSD) to establish two permanent exempt positions. DAGS/ICSD currently has temporary exempt positions that it can fill for only one year at a time and may or may not be extended. This makes it difficult to recruit and retain professionals who prefer the stability of longer-term employment.

> With exempt positions, DAGS/ICSD has flexibility to customize positions that meet emerging short- and long-term requirements, to find the best candidates available, and to negotiate competitive salaries higher than civil service salaries. The salary scales for civil service information specialist positions, even above the minimum starting step, are far too low to attract candidates with the required combinations of knowledge, skills, and abilities for these specialized tasks.

> The exempt positions contribute to DAGS/ICSD and the State in several significant ways:

Applies appropriate technologies to government processes that improve service, efficiency, information sharing, and communications with the public and among the State's employee communities;



- Improves management of projects, funding, and advancing technologies;
- Shares experiences, techniques applied, and management expertise with others as part of DAGS/ICSD's continuous learning and knowledge sharing environment; and
- Develops partnerships and collaborations that lead to securing external funds and cost sharing opportunities.

In contrast, the alternative would be hiring outside consultants and outsourcing services -- through the often time-consuming procurement and contracting process -- at considerably higher costs for those services, compared to the exempt employees with those skill sets.

<u>Impact on the public:</u> This bill will benefit the public because these positions will help improve public service, government efficiency, and cost-savings through applying new technologies.

Impact on the department and other agencies: Without these exempt positions, DAGS/ICSD will have difficulty sustaining its many ongoing efforts to develop relationships that have secured millions in direct funds, cost-sharing, no-cost and low-cost partnerships among industry partners and federal, state and local government agencies, departments, and jurisdictions during recent years.

DAGS/ICSD needs the flexibility to hire staff with specialized skills and experience to meet current and future requests that apply new approaches that improve public service, government efficiency, and costsavings through applying new technologies. Implementing these technology innovations requires a range of technical, management, and personal communications skills to address business operations, cultures, and procedures. This process of technology Page 3

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identification, research, implementation, knowledge transfer, and securing and managing resources requires a high degree of technical and business competence and experience.

GENERAL FUND: None.

OTHER FUNDS:

PPBS PROGRAM DESIGNATION:

AGS-131

None.

OTHER AFFECTED AGENCIES:

None.

EFFECTIVE DATE:

Upon approval.