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# A BILL FOR AN ACT

RELATING TO GOVERNMENT PROCESSES AND SERVICES.

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

1       SECTION 1. The legislature finds that there are great  
2       inconsistencies and a general lack of accountability in the  
3       management and construction of government capital improvement  
4       projects. In response to these concerns, the legislature  
5       adopted and the governor signed into law Act 177, Session Laws  
6       of Hawaii 2015, which directed the auditor to review the  
7       process, efficiencies, and accountability of various  
8       departmental engineering sections that manage general fund  
9       capital improvement projects.

10       The purpose of this Act is to implement the auditor's  
11       recommendations.

12       SECTION 2. Chapter 103, Hawaii Revised Statutes, is  
13       amended by adding a new section to be appropriately designated  
14       and to read as follows:

15       "§103-     Capital improvement projects; personnel training;  
16       management. (a) The comptroller shall conduct annual training  
17       for the engineering personnel of all executive departments and  
18       state agencies that manage their own capital improvement



1 projects to ensure compliance with state adopted standards and  
2 procedures of best practices in the management and construction  
3 of capital improvement projects. Each department and agency  
4 shall provide orientation training for new employees subject to  
5 this subsection and who are hired during the interim between  
6 annual trainings.

7 (b) All executive departments and state agencies that  
8 manage their own capital improvement projects shall:

9 (1) Use timelines that include a comprehensive list of all  
10 activities required on a project, and not simply rely  
11 on contractor timelines, which may not reflect all  
12 project phases. At a minimum, the list shall include  
13 all phases in a project's life cycle, namely, the  
14 initiation, planning, design, bid, construction, and  
15 post construction phases;

16 (2) Follow state procurement office guidance for tracking  
17 payments and deliverables by using a contract  
18 administration worksheet that includes milestones or  
19 deliverables, which are marked off as items are  
20 completed; and



1       (3) To help ensure end-user satisfaction with their  
2       capital improvement projects, identify and involve  
3       stakeholders throughout a project's execution and  
4       closing, including providing information about project  
5       costs, schedules, and performance."

6       SECTION 3. No later than twenty days prior to the  
7       convening of the regular session of 2017, the department of  
8       accounting and general services shall submit a status report to  
9       the legislature on the implementation of practices required by  
10      this Act.

11      SECTION 4. New statutory material is underscored.

12      SECTION 5. This Act shall take effect on July 1, 2030.



**Report Title:**

Capital Improvement Projects; Management

**Description:**

Establishes guidelines for the management of capital improvement projects. Requires DAGS to submit a status report to the legislature. Effective 7/1/2030. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

