

HB2007 HD2

Measure Title: RELATING TO GOVERNMENT OPERATIONS.

Report Title: Government Operations; Efficiency

Description: Establishes a Lean Government Advisory Board to make recommendations for improving state government efficiency. (HB2007 HD2)

Companion: [SB2430](#)

Package: None

Current Referral: GVO, WAM

Introducer(s): NAKASHIMA, BROWER, C. LEE, LOWEN, LUKE, MORIKAWA, SAIKI, WOODSON, Belatti, Keohokalole, San Buenaventura

DAVID Y. IGE
GOVERNOR



WESLEY K. MACHIDA
DIRECTOR

RODERICK K. BECKER
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

**STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE**

P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**TESTIMONY BY WESLEY K. MACHIDA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS
ON
HOUSE BILL NO. 2007, H.D. 2**

March 22, 2016
1:20 p.m.

RELATING TO GOVERNMENT OPERATIONS

House Bill No. 2007, H.D. 2, adds a new part to Chapter 27, Hawaii Revised Statutes, to establish a lean government advisory board to make recommendations for improving State government efficiency. The advisory board would consist of the Director of each principal department as enumerated in Section 26-4, Hawaii Revised Statutes, and a member (who is familiar with lean principles) appointed by the Governor, and would be placed administratively within the Department of Human Resources Development.

The Department of Budget and Finance supports the general intent of improving government efficiency and effectiveness; however, we do not believe it necessary to codify the establishment of an advisory board for that purpose.

If a lean government advisory board is statutorily established, it should be noted that successful implementation will take time and more than likely require additional resources to plan and implement.

DAVID Y. IGE
GOVERNOR



JAMES K. NISHIMOTO
DIRECTOR

CINDY S. INOUE
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
235 S. BERETANIA STREET
HONOLULU, HAWAII 96813-2437

March 21, 2016

**TESTIMONY TO THE
SENATE COMMITTEE ON GOVERNMENT OPERATIONS**

For Hearing on Tuesday, March 22, 2016
1:20 p.m., Conference Room 414

BY

JAMES K. NISHIMOTO
DIRECTOR

House Bill No. 2007, H.D. 2
Relating to Government Operations

WRITTEN TESTIMONY ONLY

TO CHAIRPERSON KIM, VICE CHAIRPERSON IHARA AND MEMBERS OF THE
COMMITTEE:

HB 2007, H.D.2 establishes a Lean Government Advisory Board within the Department of Human Resources Development (DHRD) for administrative purposes, and requires the Board to make recommendations for improving state government efficiency. DHRD supports the intent of HB 2007, H.D.2, provided an appropriation is made to support the Board, and that the appropriation does not supplant Executive Branch budget priorities.

Thank you for the opportunity to testify on this measure.



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Twenty-Eighth Legislature, State of Hawaii
The Senate
Committee on Government Operations

Testimony by
Hawaii Government Employees Association

March 22, 2016

H.B. 2007, H.D. 2 – RELATING TO
GOVERNMENT OPERATIONS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO offers comments and suggested amendments to H.B. 2007, H.D. 2, which establishes a Lean Government Advisory Board to make recommendations to improve state government efficiency.

While we can agree that efficiency is important, we respectfully argue that effectiveness is more important. The services provided by state government must be able to resolve issues effectively and deliver those services in an efficient manner. However, without sufficient personnel resources, it is difficult for state government to perform effectively and efficiently. Additionally, we would note that our State government is still recovering from the Great Recession and the subsequent reduction-in-force (RIF) that occurred in 2009. The RIF highlights the importance of ensuring the continuation of effective programs.

With respect to the Lean Government Advisory Board, we suggest including not just department directors, but members from the Exclusive Representatives of the various collective bargaining units. Line employees and their unions know first hand how state government is currently operating and can identify ways of improving effectiveness and efficiency. A diverse representation of management, employees, and unions on the Advisory Board is critical for meaningful dialogue.

Thank you for the opportunity to testify on H.B. 2007, H.D. 2.

Respectfully submitted,


for Randy Perreira
Executive Director