

EXECUTIVE CHAMBERS

HONOLULU

DAVID Y. IGE GOVERNOR

> Testimony of **David Y. Ige** Governor, State of Hawai'i Before the

## Senate Committee on Ways and Means

March 22, 2017 9:30 a.m., Conference Room 211

In consideration of Governor's Message 504 Submitted for consideration and confirmation as the Deputy Director of the Department of Budget and Finance Gubernatorial nominee, Laurel Johnston

Chair Tokuda, Vice Chair Dela Cruz, and committee members:

I respectfully request your support in confirming the appointment of Laurel Johnston to serve as the Deputy Director of the Department of Budget and Finance. The department administers the state budget, develops near and long-term financial plans and strategies, and provides programs for improving the financial management of state agencies.

Ms. Johnston brings a wealth of experience to the job, having successfully planned, coordinated and managed large, complex budgets for the University of Hawaii and the Department of Education. Prior to being nominated as the Deputy Director of Budget and Finance, she held various leadership positions in state government, including Director of System Budget Office at the University of Hawai'i, Assistant Superintendent of Planning, Budget, and Resource Development at the Department of Education, and most recently, Deputy Chief of Staff for the Governor's Office. In addition to two decades of pertinent work experience in state government and acquiring knowledge of budgetary/fiscal operations and systems, Ms. Johnston also achieved academically, having attained a B.S. degree in Criminology, and a M.S. degree in Public Administration from Florida State University.

Laurel Johnston possesses strong integrity, good judgment, and is well respected by those who have had the pleasure of working with her. Her past government service and commitment to serve make us confident that she will continue to be a good leader and great asset to the Department of Budget and Finance. Thank you for your consideration of my nomination for the position of Deputy Director for the Department of Budget and Finance.

DAVID Y. IGE GOVERNOR



WESLEY K. MACHIDA DIRECTOR

LAUREL A. JOHNSTON DEPUTY DIRECTOR

STATE OF HAWAII DEPARTMENT OF BUDGET AND FINANCE P.O. BOX 150

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

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 WAYS AND MEANS ON GOVERNOR'S MESSAGE NO. GM 504

> March 22, 2017 9:30 a.m. **Room 211**

SUBMITTING FOR CONSIDERATION AND CONFIRMATION TO THE DEPARTMENT OF BUDGET OF FINANCE GUBERNATORIAL NOMINEE. LAUREL JOHNSTON

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee,

I strongly support the confirmation of Laurel Johnston to the position of Deputy Director of the Department of Budget and Finance (Department).

Ms. Johnston's extensive experience with the formulation and evaluation of budgets at the State Department of Education and University of Hawaii has already benefited our Department with her review of departmental and agency budget requests and their impact to the General Fund Financial Plan. She has also been instrumental in executing process improvements for the Chapter 42F, HRS grant applications and disbursements.

Ms. Johnston's work experience with and knowledge of the Legislative Branch and Governor's Office has also been extremely helpful in getting things done.

She is intelligent, honest, considerate, a guick learner, and a team player. Ms. Johnston's goal is to improve efficiencies within the Department, continuing to find solutions to the State's growing unfunded liabilities, and creating a better working environment and relationships with all State and county agencies. Her commitment to improving the State and providing assistance to departments so they can provide the needed public services is highly commendable.

I am grateful to the Governor for appointing such a dedicated and caring person as Ms. Johnston. To have the opportunity to work with Ms. Johnston as I near the end of my State career is truly a blessing. For all of her aforementioned qualities and value that she brings to the State, I strongly support Ms. Laurel Johnston's confirmation as the Deputy Director of the Department of Budget and Finance.

Thank you for your consideration of my support for Ms. Johnston.

Monday, March 20, 2017

The Honorable Jill N. Tokuda, Chair Senate Committee on Ways and Means Hawaii State Capitol, Room 207 415 South Beretania Street Honolulu, Hawaii 96813

SUBJECT: GM 504, Gubernatorial Nominee Laurel Johnston

Dear Chair Tokuda, Vice Chair Dela Cruz, and Member of the Senate Ways and Means Committee,

I am submitting testimony in **strong support** of Ms. Laurel Johnston's nomination to the position of Deputy Director, Department of Budget and Finance.

I have had the opportunity to work with Ms. Johnston in her prior capacity as Deputy Chief of Staff for Governor Ige and in her current position with the Department of Budget and Finance. Ms. Johnston has demonstrated her insightful and keen knowledgeable in government operations, structuring and execution of the State budget, and in various financing matters. In her relatively short period with the Department of Budget and Finance, she has been able to establish strong and effective working relationships with the staff and others that we interact with.

Ms. Johnston's extensive background with the State Legislature, University of Hawaii, and the Executive Branch has enabled her to establish the necessary skillset to effectively be the Deputy Director of the Department of Budget and Finance.

I am respectfully requesting your approval of Ms. Johnston's nomination.

Sincerely,

Scott Kami Administrator, Financial Administration Division Department of Budget and Finance

c: Ms. Laurel Johnston



March 22, 2017

The Honorable Jill N. Tokuda, Chair Senate Committee on Ways and Means Twenty-Ninth State Legislature State Capitol Honolulu, Hawaii 96813

Dear Chair Tokuda:

This is a letter in support of Laurel Johnston's appointment as Deputy Director of Finance.

Ms. Johnston is a veteran administrator with extensive budget and management experience at the Legislature, Office of the Governor, Department of Education and University of Hawaii. She is knowledgeable about State government and its programs, and has a thorough understanding of budgeting principles and practices.

Ms. Johnston is bright, competent, and hardworking. In the past four months as Deputy Director, she has consistently demonstrated her sound judgment, administrative ability, and ability to work with and manage people.

I believe that Ms. Johnston possesses the experience and necessary skills to make an excellent Deputy Director of Finance. I urge the Senate to confirm her appointment.

Sincerely,

Neal Miyahira Administrator Budget, Program Planning & Management Division Department of Budget and Finance SHAN TSUTSUI LT. GOVERNOR



MARIA E. ZIELINSKI DIRECTOR OF TAXATION

DAMIEN A. ELEFANTE DEPUTY DIRECTOR

STATE OF HAWAII DEPARTMENT OF TAXATION P.O. BOX 259 HONOLULU, HAWAII 96809 PHONE NO: (808) 587-1540 FAX NO: (808) 587-1560

To: The Honorable Jill N. Tokuda, Chair and Members of the Senate Committee on Ways and Means

Date: Wednesday, March 22, 2017 Time: 9:30 AM

Place: Conference Room 211, State Capitol

- From: Maria E. Zielinski, Director Department of Taxation
  - Re: G.M. 504, Submitting for consideration and confirmation to the Deputy Director of the Department of Budget and Finance Gubernatorial Nominee, LAUREL JOHNSTON for a term to expire 12-03-2018

Thank you for the opportunity to provide testimony in strong support of the confirmation of Laurel Johnston for Deputy Director of Budget and Finance.

I have known Laurel for approximately three years. During this time Laurel has demonstrated professionalism, invaluable knowledge of the Legislative process, and the ability to prioritize and analyze and different departmental budget needs as well as budgetary constraints. Most importantly, Laurel has always shown dedication to serve the people and State of Hawaii.

I urge you to confirm Laurel Johnston for the nomination of Deputy Director of Budget and Finance.



RODERICK K. BECKER Comptroller

> AUDREY HIDANO Deputy Comptroller

# STATE OF HAWAII DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

P.O. BOX 119, HONOLULU, HAWAII 96810-0119

# TESTIMONY OF RODERICK K. BECKER, COMPTROLLER DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES TO THE SENATE COMMITTEE ON WAYS AND MEANS ON WEDNESDAY, MARCH 22, 2017 9:30 A.M. CONFERENCE ROOM 211

## G.M. 504

# SUBMITTING FOR CONSIDERATION AND CONFIRMATION TO THE DEPUTY DIRECTOR OF THE DEPARTMENT OF DEPARTMENT OF BUDGET AND FINANCE, GUBERNATORIAL NOMINEE, LAUREL JOHNSTON, FOR A TERM TO EXPIRE 12-03-2018.

Dear Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

I strongly support the confirmation of Laurel Johnston's nomination to the position of deputy director of the department of budget and finance.

I first came to know Laurel nearly two decades ago when she was the senate judiciary committee's staff director. Since then, I have had many opportunities to work with Laurel, especially in her capacities as assistant clerk of the state senate, budget director of the University of Hawaii, and deputy chief of staff of the governor's office.

I have known Laurel to consistently adhere to high standards of conduct and give her best effort to the work before her. She has been instrumental in improving state processes and has provided sound advice and guidance to state departments in her role as deputy chief of staff over the past two years. She is also honest, open, and candid.

Laurel's background and character will serve the state well as she supports efforts to improve its financial footing and provide resources to priority needs. I respectfully urge your support of Laurel Johnston.

DAVID Y. IGE GOVERNOR

# **DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM**

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804 Web site: www.hawaii.gov/dbedt

MARY ALICE EVANS DEPUTY DIRECTOR

Fax:

(808) 586-2355 Telephone: (808) 586-2377

DAVID Y. IGE GOVERNOR

DIRECTOR

LUIS P. SALAVERIA

Statement of LUIS P. SALAVERIA Director Department of Business, Economic Development & Tourism before the SENATE COMMITTEE ON WAYS AND MEANS

> Wednesday, March 22, 2017 9:30 a.m. State Capitol, Conference Room 211

in consideration of GM 504 Submitting for Consideration and Confirmation to the Deputy Director of the Department of Budget and Finance, Gubernatorial Nominee, LAUREL JOHNSTON, for a term to expire 12-03-2018.

Chair Tokuda, Vice Chair Dela Cruz and Members of the Committee on Ways and Means.

I respectfully urge your strong support for the confirmation of Laurel Johnston to serve as the Deputy Director of the Department of Budget and Finance.

I have known Laurel Johnston for years as she served in various positions throughout State government where she has specialized in budget analysis and policy development.

Laurel has worked in both the Legislative Branch and the Executive Branch and has experienced both economic expansions and contractions. She is very knowledgeable about possible solutions to a wide range of budget challenges.

Laurel brings people together to find solutions to problems. She is approachable and helpful.

I respectfully urge you to recommend advise and consent to the nomination of Laurel Johnston for the Deputy Director of the Department of Budget and Finance.

Thank you for the opportunity to comment.

# Statement of Mary Alice Evans

Deputy Director Department of Business, Economic Development & Tourism

# before the SENATE COMMITTEE ON WAYS AND MEANS

Wednesday, March 22, 2017 9:30 a.m. State Capitol, Conference Room 211

in consideration of **GM 504** 

# Submitting for Consideration and Confirmation to the Deputy Director of the Department of Budget and Finance, Gubernatorial Nominee, LAUREL JOHNSTON, for a term to expire 12-03-2018.

Chair Tokuda, Vice Chair Dela Cruz and Members of the Committee on Ways and Means.

I respectfully urge your <u>strong support</u> for the confirmation of Laurel Johnston to serve as the Deputy Director of the Department of Budget and Finance.

I have known Laurel Johnston for years as she served in various positions throughout State government where she has specialized in budget analysis and policy development.

Laurel has worked in both the Legislative Branch and the Executive Branch and has experienced both economic expansions and contractions. She is very knowledgeable about possible solutions to a wide range of budget challenges.

Laurel has always provided helpful advice on legislative matters.

I respectfully urge you to recommend advise and consent to the nomination of Laurel Johnston for the Deputy Director of the Department of Budget and Finance.

Thank you for the opportunity to comment.

DAVID Y. IGE GOVERNOR OF HAWAII





SUZANNE D. CASE CHAIRPERSON BOARD OF LAND AND NATURAL RESOURCES COMMISSION ON WATER RESOURCE MANAGEMENT

> KEKOA KALUHIWA FIRST DEPUTY

JEFFREY T. PEARSON, P.E. DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES BOATING AND OCEAN RECREATION BUREAU OF CONVEYANCES COMMISSION ON WATER RESOURCE MANAGEMENT CONSERVATION AND RESOURCES ENFORCEMENT ENGINEERING FORESTRY AND WILDLIFE HISTORIC PRESERVATION KAHOOLAWE ELAND RESERVE COMMISSION LAND STATE PARKS

#### STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

Testimony of SUZANNE D. CASE Chairperson

Before the Senate Committee on WAYS AND MEANS

Wednesday, March 22, 2017 9:30 AM State Capitol, Conference Room 211

In consideration of GOVERNOR'S MESSAGE 504 SUBMITTING FOR CONSIDERATION AND CONFIRMATION TO THE DEPUTY DIRECTOR OF THE DEPARTMENT OF BUDGET AND FINANCE, GUBERNATORIAL NOMINEE, LAUREL JOHNSTON, FOR A TERM TO EXPIRE 12-03-2018

# The Department of Land and Natural Resources strongly supports Governor's Message 504, nominating Laurel Johnston to serve as Deputy Director of the Department of Budget and Finance (B&F) for a term to expire December 03, 2018.

Ms. Johnston has an MS in Public Administration with a focus on budgeting and program evaluation from Florida State University. During twenty-two years of public service, she has served in a broad range of positions including Director of the University System Budget Office, the Assistant Supervisor of Planning, Budget and Resource Development for the Department of Education, and Deputy Chief of Staff for Governor David Ige.

Ms. Johnston began her career in public service as a legislative analyst for the State Auditor, then as a Senior Legislative Researcher for the Senate Majority Office. She worked briefly in the private sector at Communications Pacific, and also as the Executive Director of the Hawaii Uninsured Project before returning to the State as the Assistant Clerk of the Senate. Ms. Johnston is currently the Deputy Director of B&F and has held that position since December 2016.

During her time with the Governor's Office and B&F, the Department has found Ms. Johnston to be fair and accommodating. Her keen understanding of government functions and the budgetary process makes her ideal to help lead a department that is responsible for managing and

supervising a wide range of state programs and activities. The Department looks forward to continuing its congenial working relationship with Ms. Johnston.

Thank you for your consideration of the Department's strong support of Ms. Johnston serving as the Deputy Director of the Department of Budget and Finance.

DAVID Y. IGE GOVERNOR



THOMAS WILLIAMS EXECUTIVE DIRECTOR

KANOE MARGOL DEPUTY EXECUTIVE DIRECTOR

STATE OF HAWAII EMPLOYEES' RETIREMENT SYSTEM

March 16, 2017

The Honorable Jill Tokuda, Chair and members of the Senate Committee on Ways and Means Hawaii State Capitol, Room 207 Honolulu, HI 96813

Re: Governor's Message No. 504, Consideration and Confirmation of Ms. Laurel Johnston as the Deputy Director of the Department of Budget and Finance

Dear Chair Tokuda and Members of the Senate Committee on Ways and Means,

I strongly support the confirmation of Ms. Laurel Johnston to serve as Deputy Director of the Department of Budget and Finance for a term to expire December 3, 2018.

Ms. Johnston has managed Governor Ige's offices administrative operations and provided executive support for cabinet officials on policy issues including budget development and budget issues. Her advice and support for the President of the University of Hawaii and Board of Regents aided the successful negotiation of executive budget agency and legislative branch support. Ms. Johnston has demonstrated strong leadership, communication, negotiation and management skills. She is highly intelligent, extremely honest, humble and dedicated. Having worked directly with Ms. Johnston over these last several months, I can attest personally to the skills, talent and virtues alluded to above.

It is for these reasons and others too numerous to list that I urge the Committee to confirm Ms. Johnston as Deputy Director of the Department of Budget and Finance.

Sincere

Thomas Williams Executive Director Employees' Retirement System



Employees' Retirement System of the State of Hawaii

City Financial Tower • 201 Merchant Street, Suite 1400 • Honolulu, Hawaii 96813-2980 Telephone (808) 586-1735 • Fax (808) 586-1677 • http://ers.ehawaii.gov

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, March 15, 2017 9:07 PM
То:	WAM Testimony
Cc:	bhanotp001@hawaii.rr.com
Subject:	Submitted testimony for GM504 on Mar 22, 2017 09:30AM

#### <u>GM504</u>

Submitted on: 3/15/2017 Testimony for WAM on Mar 22, 2017 09:30AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Pankaj Bhanot	Individual	Comments Only	No

Comments: Chair Tokuda, Vice Chair Dela Cruz, and members of Senate Ways and Means Committee, My name is Pankaj Bhanot and I am the director of Department of Human Services. I am submitting this testimony as private individual. I STRONGLY SUPPORT the nomination of Ms. Laurel Johnston as the Deputy Director of the Department of Budget and Finance. Ms. Johnston's long and distinguished career serving the Hawaii Legislature, Executive, and private businesses in Hawaii is testament to her exceptional skills, education and knowledge, and ability to manage and administer complex policies, operations and processes with tremendous integrity, professionalism, and competence. Her commitment to serving the people of Hawaii is exemplary. I have the pleasure of working with Ms. Johnston in her former capacity as the Deputy Chief of Staff of Governor Ige and now as the Deputy Director of Budget of Finance. We successfully collaborated on many issues of importance over the last two years, for example, transitioning the Hawaii Connector's electronic enrollment of individuals and communication with federal exchange through the DHS Enterprise System; and streamlining the release of the Grants-in-Aid. Therefore, I sincerely urge your Committee to advise and consent to Ms. Johnston's appointment as the Deputy Director of the Department of Budget and Finance. Thank you for the opportunity to testify on this measure. Pankaj Bhanot

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

James K. Nishimoto 2405 Halekoa Drive Honolulu, Hawai'i 96821

March 17, 2017

Senator Jill N. Tokuda, Chair Senator Donovan M. Dela Cruz, Vice Chair State Capitol 415 S. Beretania Street, Room 211 Honolulu, Hawaii 96813

Dear Senator Tokuda and Senator Dela Cruz;

It is my honor to **STONGLY SUPPORT** the confirmation of Ms. Laurel Johnston as Deputy Director of the Department of Budget and Finance.

As the Director of Human Resources Development, I have had the opportunity to work with Ms. Johnson while she served as the Deputy Chief of Staff, Office of the Governor and as the Interim Deputy Director Department of Budget and Finance. Additionally, I have worked with Ms. Johnston for over fifteen years and most recently in her capacity as the Director of University System Budget Office for the University of Hawai'i System. Also, I know that Ms. Johnston successfully served as the Assistant Superintendent, Planning, Budget and Resource Development Office at the State of Hawai'i Department of Education during some very challenging times. During the course of her extensive experiences in preparing and executing system operating budgets and financial plans, she has been very successful in ensuring that these large complex public agencies have had the plans and financial wherewithal to be able to effectively and efficiently satisfy their missions, goals and objectives.

From my personal experiences working with Ms. Johnston, I have found her to be very perceptive; has the ability to successfully develop and execute complex budgets and financial plans that require the insightful judgment; is willing to advocate for positions that may not at the time have widespread support but that in the end prove to be the appropriate position to have taken; can be trusted to "do the right thing for the right reasons"; and is able to exercise compassion and thoughtful balance in her decision-making. I believe that Ms. Johnston has the necessary knowledge, skill, and experiences that will well serve her to effectively fulfill the role as Deputy Director of the Department of Budget and Finance.

It is on this basis that I strongly support the confirmation of Ms. Laurel A. Johnston as Deputy Director for the Department of Budget and Finance.

Thank you.

(/ t Sincerely,

James K. Nishimoto

# Statement of Jo Ann Uchida Takeuchi Deputy Director, DCCA

# Before the SENATE COMMITTEE ON WAYS AND MEANS

Wednesday, March 22, 2017 9:30 a.m. State Capitol, Conference Room 211

> In consideration of GM 504

# Submitting for Consideration and Confirmation to the Deputy Director of the Department of Budget and Finance, Gubernatorial Nominee, LAUREL JOHNSTON, for a term to expire 12-03-2018.

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee on Ways and Means:

I respectfully urge your <u>support</u> for the confirmation of Laurel Johnston to serve as the Deputy Director of the Department of Budget and Finance.

Over the past two years, I have had the opportunity to work with Ms. Johnston in her role as Deputy Chief of Staff at the Office of the Governor, and more recently in her role as the Deputy Director of the Department of Budget and Finance. Ms. Johnston has been invaluable in terms of providing information, suggestions, strategies and guidance on a wide range of legislative, regulatory and budgetary issues. Despite her busy schedule, Ms. Johnston always has time to talk through issues and seek collaborative resolutions, and is an excellent communicator.

With nearly three decades of public service, Ms. Johnston has the experience, knowledge, and temperament to effectively provide support for Director Machida at the Department of Budget and Finance and more specifically, to help shape and administer a state budget that fairly addresses short and long term needs.

I respectfully urge you to recommend advise and consent to the nomination of Laurel Johnston for the Deputy Director of the Department of Budget and Finance.

Thank you for the opportunity to support GM 504.

#### TESTIMONY OF PHYLLIS SHIMABUKURO-GEISER DEPUTY TO THE CHAIRPERSON, BOARD OF AGRICULTURE

#### BEFORE THE SENATE COMMITTEE ON WAYS & MEANS

#### March 22, 2017 9:30 A.M.

### GM NO. 504

Submitting for consideration and confirmation to the Deputy Director of the Department of Budget And Finance, Gubernatorial Nominee, LAUREL A. JOHNSTON, for a term to expire 12-03-2018

Chairperson Tokuda and Members of the Committee:

I respectfully request your consideration and confirmation of Laurel A. Johnston to the Deputy Director of the Department of Budget and Finance. I have had the honor and privilege to work with Laurel Johnston for over two years and I have found Laurel to be a dedicated and acknowledgeable public servant in the area of the legislative process, finance and administration. Laurel has a very strong work ethic and commitment to get the task accomplished. I have enjoyed working with her to address the needs of HDOA, services to agriculture stakeholders and the community.

I offer testimony in strong support of the appointment of Laurel Johnston as Deputy Director of the Department of Budget and Finance. Thank you for the opportunity to submit testimony. SHAN S. TSUTSUI LIEUTENANT GOVERNOR



STATE OF HAWAII DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS 830 PUNCHBOWL STREET, ROOM 321

HONOLULU, HAWAII 96813

www.labor.hawaii.gov Phone: (808) 586-8844 / Fax: (808) 586-9099 Email: dlir.director@hawaii.gov

March 22, 2017

To: The Honorable Jill Tokuda, Chair, The Honorable Donovan M. Dela Cruz, Vice Chair, and Members of the Senate Committee on Ways and Means

Date: Wednesday, March 22, 2017

Time: 9:30 a.m.

- Place: Conference Room 211, State Capitol
- From: Linda Chu Takayama, Director Department of Labor and Industrial Relations (DLIR)

# Re: G.M. 504 Confirmation of Laurel Johnston

On behalf of the Department of Labor and Industrial Relations, as well as myself personally, this testimony is provided in strong support for the confirmation of Laurel Johnston as Deputy Director of the Department of Budget and Finance.

Laurel's education, skills and experience in budget policy and government accounting speak to a solid background for the role she is undertaking. Moreover, her knowledge of current policy issues will ensure a smooth transition and steady continuity of service.

I have always known her to conduct herself with integrity and adherence to the highest principles. I sincerely look forward to her leadership at B&F.

I strongly urge her confirmation.

#### STATE OF HAWAII DEPARTMENT OF DEFENSE

#### TESTIMONY ON GOVERNORS MESSAGE 504 RELATING TO GUBERNATOTIAL NOMINEE, LAUREL JOHNSTON

#### PRESENTATION TO THE HOUSE COMMITTEE ON FINANCE

BY MAJOR GENERAL ARTHUR J. LOGAN ADJUTANT GENERAL 20 March 2017

Chair Luke, Vice-Chair Cullen and Members of the Committee.

I am Major General Arthur J. Logan, State Adjutant General and the Director of the Hawaii Emergency Management Agency. I am testifying in **SUPPORT** of Governors Message 504, Gubernatorial Nominee LAUREL JOHNSTON as Deputy Director of the Department of Budget and Finance.

I have known Laurel Johnson for the past two years as a member of the Governor's Cabinet and the Director of State Department of Defense. During this time I have found Ms. Johnson to be a very qualified and capable person who understands State Government and the fiscal responsibilities therein. As the Deputy Chief of Staff, she consistently demonstrated critical thinking and fairness in understanding other department's budget priorities.

I wholeheartedly support Laurel Johnson and request your support for her to fill the Deputy Director of the Department of Budget and Finance.

Thank you for allowing me to testify in **SUPPORT** of Governors Message 504 and Laurel Johnston.

DAVID Y. IGE GOVERNOR



STATE OF HAWAII DEPARTMENT OF PUBLIC SAFETY 919 Ala Moana Boulevard, 4th Floor Honolulu, Hawaii 96814 NOLAN P. ESPINDA DIRECTOR

> Cathy Ross Deputy Director Administration

Jodie F. Maesaka-Hirata Deputy Director Corrections

Renee R. Sonobe Hong Deputy Director Law Enforcement

No.

# TESTIMONY ON GOVERNOR'S MESSAGE 504 RELATING TO CONSIDERATION AND CONFIRMATION AS DEPUTY DIRECTOR OF THE DEPARTMENT OF BUDGET AND FINANCE, GUBERNATORIAL NOMINEE LAUREL JOHNSTON

by Nolan P. Espinda, Director Department of Public Safety

Senate Committee on Ways and Means Senator Jill N. Tokuda, Chair Senator Donovan M. Dela Cruz, Vice Chair

Wednesday, March 22, 2017; 9:30 a.m. State Capitol, Conference Room 211

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

The Department of Public Safety (PSD) strongly supports the nomination of Ms. Laurel Johnston for Deputy Director of the Department of Budget and Finance (BUF) and urges the Legislature to confirm her nomination.

I have had the pleasure of working closely with Ms. Johnston during her tenure as Deputy Chief of Staff to the Governor. Her track record speaks for itself; in addition to being extremely competent in a vast array of matters, Ms. Johnston truly embodies the aloha spirit. This combination of skills and attributes allows her to bring together people of varying perspectives to find common ground, and to thoughtfully maneuver through the intricacies of complex issues.

Additionally, Ms. Johnston's experience in multiple state agencies gives her a well-rounded perspective on the operations and needs of the State of Hawaii. She is a respected leader who will be an excellent Deputy Director for the Department of Budget and Finance.

Thank you for the opportunity to present this testimony.



TODD NACAPUY CHIEF INFORMATION OFFICER

# STATE OF HAWAI'I OFFICE OF ENTERPRISE TECHNOLOGY SERVICES

P.O. BOX 119, HONOLULU, HI 96810-0119 Ph: (808) 586-6000 | Fax: (808) 586-1922 ETS.HAWAII.GOV

# Testimony of TODD NACAPUY Chief Information Officer, State of Hawai'i

Before the

# SENATE COMMITTEE ON WAYS AND MEANS Wednesday, March 22, 2017; 9:30 a.m. State Capitol, Conference Room 211

## GOVERNOR'S MESSAGE NO. 504 SUBMITTING FOR CONSIDERATION AND CONFIRMATION TO THE DEPUTY DIRECTOR OF THE DEPARTMENT OF BUDGET AND FINANCE, GUBERNATORIAL NOMINEE, LAUREL JOHNSTON, FOR A TERM TO EXPIRE 12-03-2018.

Chair Tokuda, Vice Chair Dela Cruz, and Committee Members:

I am Todd Nacapuy, State Chief Information Officer (CIO) and head of the Office of Enterprise Technology Services (ETS), offering testimony in **strong support** of Governor's Message No. 504, submitting for consideration and confirmation to the Deputy Director of the Department of Budget and Finance, gubernatorial nominee, Laurel Johnston.

ETS has had the pleasure of working closely with Ms. Johnston in her capacity as Governor David Ige's Deputy Chief of Staff and, more recently, Deputy Director of the Department of Budget and Finance, a role in which she has served since December 2016.

At a personal level, I have a great appreciation for Ms. Johnston's willingness to offer assistance to other department and program personnel in the interest of getting the job done for the people of Hawai'i. When I was first appointed State CIO nearly two years ago, I was new to government, and I valued her insight regarding the fundamental functions of State government and the budgeting process. Her assistance then and since has helped me and my team at ETS to identify and focus on the most effective and efficient means to accomplish success and best serve constituents.

With Ms. Johnston in this critical position, I firmly believe that not only ETS but all executive branch departments will benefit from her understanding of our State as well as her experience gained over a three-decade-long career shaping and facilitating policy in areas such as education, health, criminal and social justice, economic development, and public finance.

Thank you for the opportunity to offer testimony in strong support of her nomination.

DAVID Y. IGE GOVERNOR DAVID Y. IGE GOVERNOR



SARAH ALLEN ADMINISTRATOR

PAULA A. YOUNGLING ASSISTANT ADMINISTRATOR

#### STATE OF HAWAII STATE PROCUREMENT OFFICE

P.O. Box 119 Honolulu, Hawaii 96810-0119 Telephone: (808) 587-4700 e-mail: state.procurement.office@hawaii.gov http://spo.hawaii.gov

## TESTIMONY

OF

#### SARAH ALLEN, ADMINISTRATOR STATE PROCUREMENT OFFICE

#### TO THE SENATE COMMITTEE

ON

#### WAYS AND MEANS

March 22, 2017, 9:30 AM

#### GOVERNOR'S MESSAGE 504 Submitting for consideration and confirmation to the Deputy Director of the Department of Budget and Finance, Gubernatorial Nominee, LAUREL JOHNSTON, for a term to expire 12-3-2018

Chair Tokuda, Vice Chair Dela Cruz, and members of the committee, thank you for the opportunity to submit testimony on GM 504.

The State Procurement Office (SPO) strongly supports Laurel Johnston's confirmation as Deputy Director of the Department of Budget and Finance (B&F).

The SPO can offer only the highest recommendation for Ms. Johnston, whose achievements within the Executive Branch of the State Government stand as strong testament to her exemplary skills as a leader. In her previous role as Deputy Chief of Staff for the Governor's Office, she managed the administrative operations and provided guidance in policy, budget development and legislation to Department Directors. The SPO has much respect and admiration for Ms. Johnston, fostered from our collaboration on how to best help the Executive Branch on procurement matters.

Thank you.

DAVID Y. IGE GOVERNOR



Testimony by: FORD N. FUCHIGAMI DIRECTOR

Deputy Directors JADE T. BUTAY ROSS M. HIGASHI EDWN H. SNIFFEN DARRELL T. YOUNG

IN REPLY REFER TO:

STATE OF HAWAII DEPARTMENT OF TRANSPORTATION 869 PUNCHBOWL STREET HONOLULU, HAWAII 96813-5097

# March 22, 2017 2:45 p.m. State Capitol, Room 224

## G.M. 504

# Submitting for consideration and confirmation to the Deputy Director of the Department of Budget and Finance, Gubernatorial Nominee, LAUREL JOHNSTON, for a term to expire 12-03-2018.

# Senate Committee on Ways and Means

The Department of Transportation (DOT) strongly **supports** Laurel Johnston as the Deputy Director of the Department of Budget and Finance (B&F).

Ms. Johnston earned her Bachelor of Science degree in Criminology and Master of Science degree in Public Administration from Florida State University.

She possesses a solid, well-rounded career that will equip her as a Deputy Director at B&F. For over 30 years, Ms. Johnston has served as a public administrator, researcher, and writer in the diverse policy areas of education, health, criminal, social justice, economic development, and public finance in Hawaii. Recently, she was the Deputy Chief of Staff for Governor David Ige.

We've had abundant opportunities to work with Ms. Johnston where she stood her ground, but that didn't mean that she didn't work hard to find a common ground. We valued her recommendations and judgment and found her to be a person who strongly believes in collaboration and common sense. Her wide range of experiences gives her a level of expertise and insight B&F will surely benefit from.

Ms. Johnston is well-suited for the position and brings a know-how combined with a reasoned perspective to address the complex issues facing our State budget and to keep B&F moving in a positive direction.

Thank you for the opportunity to provide this testimony.

DAVID Y. IGE GOVERNOR OF HAWAII



STATE OF HAWAII DEPARTMENT OF HEALTH P. O. Box 3378 Honolulu, HI 96801-3378 doh.testimony@doh.hawaii.gov VIRGINIA PRESSLER, M.D. DIRECTOR OF HEALTH



# Testimony in SUPPORT of GM504 Submitting for consideration and confirmation to the Deputy Director Of The Department Of Budget And Finance, Gubernatorial Nominee, LAUREL JOHNSTON, for a term to expire 12-03-2018.

#### SENATOR JILL TOKUDA, CHAIR SENATE COMMITTEE ON WAYS AND MEANS

Hearing Date: March 22, 2017

Room Number: 211

- 1 **Fiscal Implications:** None for the Department of Health.
- 2 **Department Testimony:** The Department of Health strongly supports the nomination of Laurel
- 3 Johnston as Deputy Director of the Department of Budget and Finance. Most recently, Ms.
- 4 Johnston served as Deputy Chief of Staff to Governor Ige for which she ably demonstrated her
- 5 administrative and policy qualifications. She has demonstrated personal and professional
- 6 integrity, good judgement, a conscience grounded in social justice, and fairness.
- 7 The Department of Health respectfully urges unanimous confirmation of Ms. Johnston.
- 8 **Offered Amendments:** N/A.
- 9

# SanHi Government Strategies

Gary M. Slovin Mihoko E. Ito R. Brian Tsujimura a limited liability law partnership c/o Ashford & Wriston • 999 Bishop Street, Suite 1400 Honolulu, Hawaii 96813 (808) 539-0400 governmentaffairs@awlaw.com

gslovin@awlaw.com mito@awlaw.com rtsujimura@awlaw.com

DATE: March 21, 2017

- Senator Jill Tokuda
  Chair, Committee on Ways and Means
  Submitted Via Capitol Website
- RE: GM 504 Confirmation as the Deputy Director of the Department of Budget and Finance, Gubernatorial Nominee, Laurel Johnston Hearing Date: Wednesday, March 22, 2017 at 9:30 a.m. Conference Room: 211

Dear Chair Tokuda and Members of the Committee on Ways and Means:

Gary Slovin, Mihoko Ito, Rick Tsujimura submit this testimony in **strong support** of the nomination of Laurel Johnston as Deputy Director of the Department of Budget and Finance.

We have known Laurel for many years, and can vouch for her integrity and common sense. The latter may be the single most qualifying trait upon which your Committee should approve and recommend her appointment to the full Senate. We have worked with Laurel in various capacities and over many years. She isn't your typical bureaucrat. Laurel understands progress begins with one step and if you don't take that one step, the journey never begins.

We have together trod down various roads, and we can unequivocally say to this Committee, she was, and continues to be, a valued public servant committed to serving the people of Hawaii.

We urge your support and approval.

# Audrey Hidano 1620 Hau Street Honolulu, HI 96817

#### TESTIMONY OF AUDREY HIDANO TO THE SENATE COMMITTEE ON WAYS AND MEANS ON WEDNESDAY, MARCH 22, 2017 9:30 AM CONFERENCE ROOM 211

#### G.M.504

#### SUBMITTING FOR CONSIDERATION AND CONFIRMATION TO THE DEPUTY DIRECTOR OF THE DEPARTMENT OF BUDGET AND FINANCE, GUBERNATORIAL NOMINEE, LAUREL JOHNSTON, FOR A TERM TO EXPIRE 12-03-2018.

I am testifying as an individual and I am in strong support of Ms. Laurel Johnston's confirmation as Deputy Director of the Department of Budget and Finance.

I have known Ms. Johnston for about 20 years in her various roles in State government and have recently (about 2 years) worked closely with her as Deputy Chief of Staff for the Hawaii Governor's Office. She is truly a "go-to" person, works very diligently and is a dedicated public servant. Ms. Johnston continually demonstrates professionalism and has a strong commitment to serve the people and the State of Hawaii.

I respectfully urge you to confirm Ms. Johnston for the nomination of Deputy Director of the Department of Budget and Finance.

Thank you for the opportunity to testify.

#### TESTIMONY BY DEREK MIZUNO TO THE SENATE COMMITTEE ON WAYS AND MEANS ON **GM 504** RELATING TO CONSIDERATION AND CONFIRMATION TO THE DEPUTY DIRECTOR OF THE DEPARTMENT OF BUDGET AND FINANCE LAUREL JOHNSTON

March 22, 2017 9:30 a.m. Conference Room 221

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee,

I am testifying in SUPPORT of Laurel Johnston to be the Deputy Director of the Department of Budget and Finance. I have worked with Laurel in my position as EUTF Administrator while she served as the Deputy Chief of Staff, Governor's Office and in her recently appointed position as EUTF Board member. I appreciate how Laurel is able to understand and focus on the "big picture" relating to the issues facing the EUTF and allow EUTF staff to develop the programs, policies and procedures to execute the Board's vision. Additionally in the limited time she has been a Board member, she has supported the EUTF in both administrative and legislative matters. I believe that her budget background, experience in State government and deep passion for serving the citizens of the State will bring significant value to the Department of Budget and Finance.

Thank you for the opportunity to testify.

## TESTIMONY IN SUPPORT OF LAUREL JOHNSTON For Deputy Director of the Department of Budget and Finance

#### (GM504)

Before the Senate Committee on Ways and Means Wednesday, March 22, 2017 9:30 a.m., Conference Room 211

Testimony of Douglas S. Chin and Russell A. Suzuki:

We support the confirmation of Ms. Laurel Johnston as Deputy Director of the Department of Budget and Finance ("B&F").

Through her many years of working at the Legislature, together with her experiences at the Department of Education and the University of Hawai'i, she has gained the experience and knowledge necessary to understand the job of being the deputy budget director and in overseeing and managing the State's revenues. The deputy director plays an important part in the smooth operation of state government by oversight to ensure that the State's revenues are properly managed.

The B&F is one of the most important executive branch departments and its operations are in good hands with Laurel's management.

Thank you for the opportunity to submit this testimony in support of her confirmation.



#### HOUSE OF REPRESENTATIVES

STATE OF HAWAII STATE CAPITOL HONOLULU, HAWAII 96813 March 20, 2017

Senate Committee on Ways and Means Senator Jill Tokuda, Chair Senator Donovan Dela Cruz, Vice Chair

HEARING: 9:30am, Wednesday, March 22, 2017

# **RE:** GM 504 - NOMINATION AND CONFIRMATION OF LAUREL JOHNSTON AS THE DEPUTY DIRECTOR OF THE DEPARTMENT OF BUDGET AND FINANCE

I am pleased to provide, with highest recommendation, my testimony in support of GM 504, to confirm Ms. Laurel Johnston as the Deputy Director of the Department of Budget and Finance.

I have known Ms. Johnston since 2006 in her various positions with the State of Hawaii. She has worked in providing essential information to ensure solid policy in the areas of budget, planning and resource development.

Ms. Johnston has displayed admirable qualities of dedication and sincerity in her work while serving the state, community, and the legislature. She has always been considerate to other legislators, government and private employees, staff, media, businesses, and the public. Her knowledge and experience with programs and systems in the State will benefit and serve the Department well. Additionally, her analytical intellect, reasoning and organizational skills with an expertise in public administration are attributes which will move the Department of Budget and Finance in the right direction. Her understanding and ability to collaborate and seek solutions is of great value in the legislative arena.

For all of the foregoing reasons, it is with great pleasure that I provide strong testimony in support of Ms. Johnston's confirmation, with complete confidence that she will be successful in serving the State and Department of Budget and Finance with compassion and proper insight in ensuring appropriate essential services.

Sincerely,

epresentative John M. Mizuno, Vice Speaker

Representative John M. Mizuno – VICE SPEAKER of the House of Representatives District 28, Kamehameha Heights, Kalihi Valley, portion of Lower Kalihi State Capitol, Room 439 – Honolulu, Hawaii 96813 Phone: (808) 586-6050 – Fax: (808) 586-6051 Email: repmizuno@capitol.hawaii.gov

То:	The Honorable Jill Tokuda, Chair and Members of the Senate Committee on Ways and Means
Date: Time: Place:	Wednesday, March 22, 2017 9:30 A.M Conference Room 211, State Capitol
From:	Damien Elefante
	Re: G.M. 504, Submitting for consideration and confirmation to the Deputy Director of the Department of Budget and Finance Gubernatorial Nominee, LAUREL JOHNSTON for a term to expire 12-03-2018

Thank you for the opportunity to provide testimony in **strong support** of the confirmation of **Laurel Johnston** for Deputy Director of the Department of Budget and Finance.

I have known Laurel for over twenty years and during this time she has demonstrated a strong dedication and commitment to public service and the people of the State of Hawaii. Based on her governmental work experiences, she has developed an institutional knowledge and understanding of the administration of state government. It is this background and knowledge that I believe will be an asset and resource, as well as, makes her qualified to be Deputy Director. Moreover, Laurel's objectivity, integrity, judgement and understanding, ability to collaborate with people, and commitment to improve state government make me confident that she will be a good leader for the department.

I urge you to confirm Laurel Johnston for the nomination of Deputy Director of the Department of Budget and Finance.

Senator Jill N. Tokuda, Chair Senator Donovan M. Dela Cruz, Vice Chair Committee on Ways and Means State Capitol room 211 415 S. Beretania Street

RE: Consideration and confirmation of Laurel Johnston for Deputy Director of the Department of Budget and Finance – Hearing Wednesday, March 22, 2017, 9:30 a.m.

Dear Chair Tokuda, Vice-Chair Dela Cruz and Members of the Senate Committee on Ways and Means,

I submit this testimony in **Strong Support** of the confirmation of Laurel Johnston as Deputy Director of the Department of Budget and Finance.

In the short time I have had the pleasure of knowing Ms. Johnston in her capacity as Acting Deputy Director of Budget and Finance, I have found her to be a dedicated, knowledgeable, measured and well-prepared person who is well suited for the position of Deputy Director of Budget and Finance. In her current capacity I have experienced Ms. Johnston as cooperative, helpful, welcoming and kind. I support the confirmation of Ms. Johnston as the Deputy Director of the Budget and Finance.

Thank you, Ryker Wada

From:	mailinglist@capitol.hawaii.gov
Sent:	Tuesday, March 21, 2017 9:05 AM
То:	WAM Testimony
Cc:	andy.armitage11@gmail.com
Subject:	Submitted testimony for GM504 on Mar 22, 2017 09:30AM

#### <u>GM504</u>

Submitted on: 3/21/2017 Testimony for WAM on Mar 22, 2017 09:30AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Andrea and Nelson Armitage	Individual	Support	No

Comments: We have known Laurel since 1988 when she was Nelson's supervisor at the Legislative Auditor's Office. We have been great friends ever since. Laurel had dedicated her career to public service, and has been involved in high profile issues such as the first round of marriage equality legislation with the Senate Judiciary Committee, and working to reduce the number of uninsured in Hawaii. With her experience working for the budget offices in DOE and UH, she is highly qualified to be deputy director of budget and finance. Laurel is smart, with great analytical and writing skills, witty, thoughtful, conscientious, empathetic, and is the embodiment of integrity. We highly recommend that you approve Laurel Johnston for the position of deputy director of B&F unanimously.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

#### TESTIMONY

Senate Committee on Ways and Means Hearing: Wednesday, March 22, 2017 9:30 a.m.

TO:	The Honorable Jill Tokuda, Chair The Honorable Donovan Dela Cruz, Vice Chair
FROM:	Patricia Mau-Shimizu
RE:	GM 504 Confirmation of DAMIEN ELEFANTE Deputy Director of the Department of Taxation Nominee

I am submitting comments in support of the nomination of Damien Elefante as the Deputy Director of the Department of Taxation in my personal capacity.

I have known the nominee for approximately five years as Mr. Elefante has been involved in activities which promote the professional competence of attorneys in the practice of law. Specifically Mr. Elefante has served as the Chair of the HSBA Technology Committee. The Committee assisted with the HSBA's website and worked to provide hands-on educational opportunities for member attorneys.

Mr. Elefante displayed an astute knowledge of technology and willingness to pursue new technologies for efficiency and accuracy in document preparation and storage. In addition during informal discussions, the Nominee displayed a comprehensive understanding of the State's tax infrastructure and policies.

Mr. Elefante is a leader who identifies goals and objectives and listens to others to formulate the best possible solutions and programs. He is ethical and believes in the rule of law.

#### WRITTEN TESTIMONY

LAUREL A. JOHNSTON DEPARTMENT OF BUDGET AND FINANCE STATE OF HAWAII

# TO THE SENATE COMMITTEE ON WAYS AND MEANS GOVERNOR'S MESSAGE NO. 504 Consideration and confirmation as Deputy Director Department of Budget and Finance for a term to expire 12-03-2018

# MARCH 22, 2017 9:30 A.M. Room 211

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Ways and Means Committee,

Mahalo for the opportunity to offer testimony on my nomination as the Deputy Director of Finance for the Hawai'i Department of Budget and Finance.

#### Educational Background and Professional Qualifications

My education in public budgeting and finance began when I was awarded a Master of Science in Public Administration with an emphasis in budgeting and program evaluation. My Master's thesis involved a study of the planning, program, budget system (PPBS) implemented in Florida, similar to the planning, programming, budgeting, management (PPBM) system adopted in Hawaii in 1970.

During my 30-year career in public service to the State of Hawai'i, I have progressed from a staff analyst into middle management and executive administration through hard work and a commitment to improve government policy and programs. My 20-year tenure in the Hawai'i Senate provided me the opportunity to gain valuable policy experience covering a broad spectrum of issues and develop ongoing relationships with state administrators, employees, and elected officials. Many of you have supported my career in the Senate and I look forward to continuing our working relationships.

As Director of the University System Budget Office (UBO), I served as advisor on budget policy and strategy to the President and Board of Regents, campus leadership, as well as advisor on budget process to campus budget and finance staff. During my tenure as Assistant Superintendent of Planning, Budget and Resource Development with the Hawai'i Department of Education (DOE), I supervised the development and execution of operating budgets during the Felix Consent Decree. As part of the implementation of the Felix Consent Decree, we were required to re-structure the Department's budget and request a significant investment of State funds. Both of these positions required me to further develop my knowledge of state budgeting and financial management, manage small teams and large divisions, and problem-solve with many diverse constituent groups. Thus, I bring a unique perspective of macro-level policy with hands-on program execution that will be an asset in developing a financially sustainable state administration.

#### Role and Responsibilities of the Deputy Director of Finance

The Deputy Director of Finance supports the Director of Finance in assuring compliance with the Director's primary roles and responsibilities as manager of the State's financial resources to: ensure a balanced State budget; sufficient cash reserves for unforeseen emergencies; and advise the Governor and the legislature on the State budget and financial plan. The Deputy also provides oversight for the day-to-day management of department operations and includes advising the department's division managers and attached agency leadership about agency procedures, state policies and programs.

I strongly support Director Machida in his current efforts to ensure that the State of Hawaii has sufficient cash reserves to alleviate fiscal stress should a significant downturn in state revenues occur in the short-term. The state's general fund operating budget has been growing due to several years of post-recession increases in state revenues. However, after revised projections indicating a decline in state revenue growth, the Director and I are aware that we lack sufficient revenues for expansion of most state programs. We have been working closely with the Governor and we will continue to work with the legislature through the current session, to identify common goals and priorities into which we should invest our limited general funds.

I will do my best to support Director Machida and the legislature in securing a balanced state budget within our term. As far as Department operations, in consultation with the management staff of our four major divisions, we seek to improve our internal processes in better serving the public and our sister state agencies and we want to eliminate redundant reporting to the extent practicable. Our Office of Federal Awards Management will become a more vital participant in our financial planning, given the uncertainties about the federal budget in the near future.

I also strongly support the Director's efforts to address the State's large unfunded liabilities of the Employees' Retirement System (ERS) and Hawaii Employers Union Health Benefits Trust Fund (EUTF). In order to achieve these goals, we must continue to work together to ensure that the State continues to make payments toward our unfunded liabilities, as delays in making payments only increases future obligations.

The Director of Finance along with our Financial Administration Division have continued to seek more affordable debt management opportunities through refunding bonds and improving the State's bond rating to the highest in our State's history. These two strategies will result in savings to the State for borrowed funds necessary to continue to improve our state's infrastructure.

Whether working within the legislative branch or the executive branch, I remain committed to being a bridge between the two branches of state government. While a healthy separation of powers ensures that there is a balancing of government, I support sharing of information within legal and practical boundaries to support working together in serving Hawaii's people.

I look forward to working with your Committee and the members of the Hawai'i legislature over the next two years to develop a balanced state budget and execute a financial plan that reflects our shared values. I ask for your support of my nomination and extend my sincerest Mahalo nui loa for your consideration.