STAND. COM. REP. NO. **521**

Honolulu, Hawaii

FEB 1 5 2019

RE: S.B. No. 1111 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committee on Government Operations, to which was referred S.B. No. 1111 entitled:

"A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES,"

begs leave to report as follows:

The purpose and intent of this measure is to appropriate or authorize funds, amend positions, or amend means of financing for various operating expenses of the Department of Accounting and General Services.

Your Committee received testimony in support of this measure from the Office of Enterprise Technology Services, State Procurement Office, and Office of Information Practices. Your Committee received comments on this measure from the Department of Accounting and General Services, Office of Elections, and League of Women Voters.

Your Committee finds that this measure expresses adjustments to the programs or positions included, maximum sums appropriated or authorized, or means of financing indicated for the Department of Accounting and General Services in the General Appropriations Act of 2017, as amended by the Supplemental Appropriations Act of 2018.

In regard to the Office of Public-Private Partnership, your Committee is reluctant to "silo" the procurement of P3 and similar contracts from the regular procurement in the Public Works Division. Instead, your Committee prefers to direct these resources to build the expertise within public works and foster a team relationship between the plans, design, and construction branches in that division to improve procurement of public works contracts. Accordingly, your Committee recommends redirecting these and other identified funds to S.B. No. 1079 (Regular Session of 2019) to improve state procurement practices and standardize catalogue deferred maintenance of state facilities and to support S.B. No. 1333 (Regular Session of 2019), which will provide technical assistance to the Department of Accounting and General Services and other agencies on innovative development strategies, including the Public-Private Partnership.

Your Committee has amended this measure by:

- (1) Removing operating expense budget items that are under the purviews of the Committees on Technology; Labor, Culture and the Arts; and Judiciary;
- (2) Removing the appropriation for cemetery grounds positions, as the funding for these positions has been included in the Governor's base budget;
- (3) Removing the appropriation for an Office of Public-Private Partnership;
- (4) Removing the addition of a position of Office Assistant for fiscal year 2019-2020, and redirecting those funds for a staffing position and relating requirements;
- (5) Removing an appropriation for the small business assistance initiative; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee's intent in recommending this measure for passage is for the adjustments expressed to be incorporated into the General Appropriations Act of 2019 or other appropriate legislative vehicle or to be adopted separately. As such, your

Committee requests your Committee on Ways and Means to incorporate the adjustments expressed by this measure into the appropriate legislative vehicle or amend this measure to include any provisions necessary to effectuate its purpose and intent.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1111, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1111, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Government Operations,

LAURI H. THIELEN, Chair

The Senate Thirtieth Legislature State of Hawai'i

Record of Votes Committee on Government Operations GVO

Bill / Resolution No.:*	Committee Referral: GVD, WAM		Dat	Date: 2/1/2019	
The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
THIELEN, Laura H. (C)					
INOUYE, Lorraine R. (VC)		\checkmark			
BAKER, Rosalyn H.					V
KANUHA, Dru Mamo		√			
FEVELLA, Kurt					V
TOTAL		3			2
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature: Howaite R. Annuye					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes