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LATE TESTIMONY

TESTIMONY
OF
RUSS K. SAITO, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
SENATE COMMITTEE
ON
TOURISM AND GOVERNMENT OPERATIONS
ON
February 5, 2008

S.B. 2252

RELATING TO BOARDS AND COMMISSIONS

Chair Nishihara and members of the Committee, thank you for the opportunity to testify on S.B. 2252.

The Department of Accounting and General Services (DAGS) opposes S.B. 2252. The bill provides no basis for its "finding" of an irreconcilable conflict when an ex-officio member of a board or commission is also the chair of that board or commission.

Chapter 26-35, HRS establishes the responsibilities of the director to which a board or commission is attached and makes it clear that the director performs administrative responsibilities, but does not, in his/her role as a director, interfere with the responsibilities of the board or commission.

If the director is an ex-officio member of the board or commission, his/her responsibilities as a board or commission member are independent of his/her responsibilities as a director. In addition, as an ex-officio voting member of the board or commission, the director has only one vote. And, most boards or commissions elect their

chairs, a process that is open and for which the director again only gets one vote.

Furthermore, the responsibility of the chair, if the director is elected into that position, is primarily to conduct the meetings. The chair's vote counts only as much as any other member's vote.

If the concern is that the board or commission may deal with matters that may affect or be affected by the director's organization, the director is bound by the State's ethics code to disclose the conflict and if there is one, the director can hand the chairmanship to the vice chair to deal with that part of the board or commission's business. DAGS does not believe that there is an irreconcilable conflict simply because a director also serves as an ex-officio member of a board or commission and happens to be elected chair by the other members of the board or commission.

DAGS recommends that this bill be held.

Thank you for the opportunity to testify on this matter.