

Date: 04/01/2009

Committee: House Finance

Department: Education

Person Testifying: Patricia Hamamoto, Superintendent of Education

Title of Bill: SB 0389,SD1,HD1(HSCR 1306) RELATING TO CAPITAL IMPROVEMENT PROJECTS.

Purpose of Bill: Requires the Legislative Reference Bureau to review the memorandum of understanding between the Department of Education and Department of Budget and Finance for the allotment of capital improvement projects, with the goal of replicating the processes of the MOU for use by other state agencies with many capital improvement projects that are predominantly funded by general obligation bonds. (SB389 HD1)

Department's Position: The Department of Education (DOE) will defer to the Department of Budget and Finance (B&F) as to the merits of replicating the DOE's allotment process for other state agencies.

We firmly believe that the process set forth in the memorandum of understanding (MOU) between DOE and B&F is beneficial to our operations and do not at this time see a need for revisions to the MOU.

Thank you for the opportunity to testify.

TESTIMONY BY GEORGINA K. KAWAMURA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON FINANCE
ON
SENATE BILL NO. 389, S.D. 1, H.D. 1

April 1, 2009

RELATING TO CAPITAL IMPROVEMENT PROJECTS

Senate Bill No. 389, S.D. 1, H.D. 1, requires the Legislative Reference Bureau to review the memorandum of understanding between the Departments of Education and Budget and Finance and recommend possible similar arrangements with other State agencies to the 2010 Legislature.

The memorandum of understanding was entered into on June 28, 2006, and has proved satisfactory to both the Departments of Education and Budget and Finance.

The Department of Budget and Finance will cooperate with the Legislative Reference Bureau as proposed in this bill.

Ken H. Takayama
Director

Charlotte A. Carter-Yamauchi
First Assistant

Research (808) 587-0666
Revisor (808) 587-0670
Fax (808) 587-0681



LEGISLATIVE REFERENCE BUREAU
State of Hawaii
State Capitol
415 S. Beretania Street, Room 446
Honolulu, Hawaii 96813

Written Testimony

SB389, SD1, HD1
RELATING TO CAPITAL IMPROVEMENT PROJECTS

Testimony by the Legislative Reference Bureau
Ken H. Takayama, Director

Presented to the House Committee on Finance

Wednesday, April 1, 2009, 10:00 a.m.
Conference Room 308

Chair Oshiro and Members of the Committee:

I am Ken Takayama, Director of the Legislative Reference Bureau. Thank you very much for the opportunity to testify on S.B. No. 389, S.D. 1, H.D. 1. The Bureau takes **no position** either for or against this measure, but offers the following **comments**.

1. This bill directs the Bureau to review the memorandum of understanding between the department of education and the department of budget and finance for the allotment of capital improvement projects, for the purpose of trying to replicate those processes for CIP projects with other agencies.
2. We understand that the goal of this study is to try to promote changes that will make an apparently useful process more widely applicable.
3. Although we are not particularly knowledgeable about capital improvement projects generally, it appears that this study is focused primarily on processes and will therefore be manageable for Bureau staff.

Thank you for this opportunity to testify. I am open to any questions you may have.