

**SB 389**

WRITTEN ONLY

TESTIMONY BY GEORGINA K. KAWAMURA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
STATE OF HAWAII  
TO THE SENATE COMMITTEE ON WAYS AND MEANS  
ON  
SENATE BILL NO. 389

February 5, 2009

RELATING TO CAPITAL IMPROVEMENT PROJECTS

Senate Bill No. 389 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, but suggests that any possible replication be limited to departments with predominantly general obligation bond funded projects and not include departments with only a few projects.

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**Date:** 02/05/2009

**Committee:** Senate Ways and Means

**Department:** Education

**Person Testifying:** Patricia Hamamoto, Superintendent of Education

**Title of Bill:** SB 0389 RELATING TO CAPITAL IMPROVEMENT PROJECTS.

**Purpose of Bill:** Directs the legislative reference 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 replicating the processes of the memorandum of understanding for usage by other state agencies.

**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.

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**Department:** Education

**Person Testifying:** Patricia Hamamoto, Superintendent of Education

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Thank you for the opportunity to testify.

Ken H. Takayama  
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State Capitol  
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## Written Testimony

### **SB389**

### **RELATING TO CAPITAL IMPROVEMENT PROJECTS**

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

Presented to the Senate Committee on Ways and Means

Thursday, February 5, 2009, 9:30 a.m.  
Conference Room 211

Chair Donna Mercado Kim 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. 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.