

**TASK FORCE ON REINVENTING GOVERNMENT
HCR 76 HD1 SD1
JANUARY 4, 2010**

MEETING NOTES

I. INTRODUCTIONS

A. Members Present:

Don Horner (FHB); Mark Fukunaga (Servco); Laura Thielen (DLNR); John Monahan (Hawaii Visitors and Convention Bureau); Sen. Donna Mercado Kim, Randy Perreira (HGEA); Walter Ozawa (Judiciary); Lynn McCrory (PAHIO Development); Donovan Lewis representing Reginald Castanares (Plumbers and Fitters, Local 675)

B. Members Excused: None

C. Meeting called to order at 10:10 a.m. by Chair Horner

II. GENERAL BUSINESS

A. Approval of meeting notes for December 18, 2009, meeting – approved; no discussion

B. The Sub-Committees presented their recommendations for review and comment by the Task Force members:

1. DOE/Education Sub-Committee

Chair Horner presented recommendations in following areas: a) Curriculum and Standards; b) Classroom Instructional Time; and c) Organization and Accountability. The members discussed and voted on each recommendation as presented. The results were as follows:

a. Curriculum and Standards

The members unanimously adopted the proposed recommendation with an amendment to insert the word "currently" so that the second sentence of the recommendation will read, "Each school would be given flexibility to maintain their existing curriculum or modify the state's core curriculum, provided their school currently meets or exceeds the state's established performance standards."

b. Classroom Instructional Time

The members unanimously adopted the proposed recommendation with the inclusion of a statement in the first paragraph to increase instructional time by 40%, and the inclusion of the listed suggestions, except the suggestion to eliminate furlough Fridays, as possible steps toward increasing instructional time.

c. Organization and Accountability

The members unanimously adopted part A of the recommendation without any changes. The members unanimously adopted part B of the recommendation with the change to have an appointed Board of Education (appointing body not specified), and a superintendent appointed by the Governor and confirmed by the Senate.

2. DLNR/Land & Natural Resources Sub-Committee

Laura Thielen presented the following recommendations of the sub-committee. The members discussed and voted on each recommendation as presented. The results were as follows:

a. Simplify fiscal and permitting procedures for projects and activities that enhance land and natural resources to forge efficient and effective partnerships and maximize limited funds for most positive effect.

1) Part 1.a. of the recommendation proposed to address fiscal limitations that have stifled opportunities to become efficient in the management of available funds. The recommendation sought to free up pockets of money and allow smaller agencies that could not undertake a project on their own to pool funds that were designated for common projects. After a number of questions regarding how the proposal would work and for clarification of the purpose and intent, the group decided to defer the recommendation.

2) Part 1.b. of the recommendation was unanimously adopted as is.

b. Simplify procurement procedures so approved projects can move forward efficiently.

The members unanimously adopted the recommendation with a deferment on the issue of caps, and agreed to consider consolidating the procurement process so as to simplify the process and reduce the burden on departments. It was noted that the limits were raised recently; however, the increases are scheduled to sunset in 2012.

- c. Factor and apply real cost of maintaining public lands, waters, natural and cultural resources just like government does with public roads, schools and infrastructure.

The members unanimously agreed that a plan to identify and inventory state land assets and natural resources would be more realistic for both parts a. and b. of the recommendation. Part of the analysis would be to find opportunities for revenue, which could be used to protect and preserve the land or natural resource. Members agreed that when utilizing state land, some revenues should go into maintaining it.

- d. Identify which government functions are appropriate to be performed at the State level (including which state agency), the County level, and which are appropriate to be performed through public/private partnerships, and realign government accordingly.

The members unanimously approved the recommendation as written.

3. DHS/Health and Human Services Sub-Committee

Lynn McCrory presented the following recommendations of the sub-committee. The members discussed and voted on each recommendation as presented. The results were as follows:

- a. Clarify core services.

The members unanimously agreed to combine recommendations 1 and 2. The joint government-private sector task force would look at clarifying core services and identifying who should be accountable.

- b. Measure effectiveness and hold all accountable.

This recommendation was combined with recommendation 1.

- c. Continue to question, listen, meet, and discuss to achieve an expanded mutual understanding of responsibilities between government and the private sector.

The members unanimously agreed to also incorporate this recommendation with 1 and 2.

- d. Leverage federal and state funds with private sector expenditures and maximize the obtaining of grants.

After discussions regarding possible partnering with bigger, quasi governmental non-profit organizations (e.g., Salvation Army) or foundations, and questions raised regarding coordination and communications between the different sectors, the members unanimously agreed to defer the recommendation due to concerns that it may not be clear enough.

- e. Substantially improve Information Technology used by government.

The members agreed that this issue was global in that it affected all the departments across the board. The members unanimously adopted the recommendation with the understanding that the IT issue will be further addressed in a separate recommendation to be prepared by Chair Horner.

4. DBEDT/Economic Development Sub-Committee

Randy Perreira presented the following recommendations of the sub-committee. The members discussed and voted on each recommendation as presented. The results were as follows:

- a. DBEDT should better define its mission, and focus on key priority areas. At present, DBEDT seems to be the “catch-all” agency that takes in whatever functions that are not covered by other state agencies.

The members unanimously agreed to combine recommendations 1 and 2. The mission of DBEDT should be better defined and prioritized. DBEDT should be facilitator, clearinghouse, and offer strategic directions for business development.

- b. DBEDT must change to become a facilitative agency, and not so much “hands-on” in providing services to the community. . . . In most instances, DBEDT would best serve its constituent groups by being the resource for business development, and acting as a

clearinghouse for other entities, such as the respective Economic Development Boards (EDB) on each island.

The members agreed to combine this recommendation with 1.

- c. DBEDT must focus on providing greater support for small business.

The members unanimously agreed to defer this recommendation on the basis that the federal government already does small business assistance and does a good job.

- d. The State procurement code should be reviewed and amended to create greater efficiency in delivering government services.

The members unanimously adopted this recommendation noting that the earlier discussion regarding the consolidation of processes under DLNR's recommendations should apply to this one as well.

- e. Line staff must be consulted prior to making any changes seeking to achieve efficiency. From both the employees and the business community, comments suggested that government generally fails to consult those who know most about operations and how to generate efficiencies and greater effectiveness.

The members unanimously agreed to amend this recommendation by changing the references to "consultation," which has some legal implications to read "good communication."

5. DOT/Transportation Sub-Committee

Mark Fukunaga presented the following recommendations of the sub-committee. The members discussed and voted on each recommendation as presented. The results were as follows:

- a. Better Coordination of State and County Transportation Offices, Including Consolidation of State and County Personnel on the Neighbor Islands

The idea is better coordination. The question is how far the Task Force wants to go: consolidate neighbor island offices; create one statewide transportation entity; and rationalization of ownership of responsibilities. The members unanimously adopted the recommendation.

- b. Maximize Leasing Income from Airport Space and/or Harbor Space with the Possible Help of Retail Leasing Agents

The members unanimously adopted the recommendation without further discussion.

- c. Encouraging a Mindset of Maximizing the Capacity of Existing Highway Infrastructure (As Opposed to Building More Roads)

The discussion noted that it ultimately comes down to training and developing DOT personnel to have a wider view at their infrastructure not only from an economic standpoint, but from an environmental one as well. It was noted that much of the expertise may not be present right now.

The members unanimously adopted the recommendation.

- d. Efficiency and Savings through Shared Functions, Rationalization of Positions and Increased Accountability within DOT

The members unanimously adopted the recommendation without further discussion.

- e. Clarify, by Measurement, the Degree of Subsidization from Oahu to the Neighbor Islands for Transportation Projects

The members unanimously adopted the recommendation without further discussion.

6. DHRD/Human Resources Sub-Committee

John Monahan presented the following recommendations of the sub-committee. The members discussed and voted on each recommendation as presented. The results were as follows:

- a. Develop and Implement an Enterprise Information Management System

The members unanimously adopted the recommendation without further discussion.

- b. Develop a Statewide Employee Training and Development program

After some discussion regarding common training and specialized training, the members unanimously adopted the recommendation.

- c. Simplify the Classification System

The members unanimously adopted the recommendation.

- d. Clear up redundancy between central agency and line departments

It was noted that for recommendations 4 and 5, the Sub-Committee was awaiting a reply from the DHRD management.

The general consensus was for DHRD do less advising and more governing, and for it to take on a more active role in providing the line agencies with direction.

The members unanimously agreed upon the statement that the central agency must take the lead in determining the level of its authority, with the administration communicating these roles clearly to the line level.

- e. Enhance communication between the central agency and department personnel officers

After some general discussion, the members agreed that this recommendation was a subset of 4, and it should be folded into that recommendation.

7. Information Technology Recommendations

Chair Horner presented the following recommendations of the sub-committee. The members discussed and voted on each recommendation as presented. The results were as follows:

- a. Establish a new senior position reporting to the Comptroller to be the state's CIO. The position should be budgeted at market compensation.

The recommendation listed some of the responsibilities of the CIO position.

The members unanimously adopted the recommendation with the suggestion that the Legislature look a possible funding for the position, or find a dedicated funding source. It was noted that this suggestion be added in as new item "e" under the list of responsibilities for the position.

III. NEXT STEPS

Staff will provide revised recommendations to the Task Force members by Friday, January 4, 2010. Task Force members to review and comment on revised recommendations by end of business Tuesday, January 12, 2010, 4:30 p.m.

If no comments are received by the deadline, revised recommendations will stand as written.

IV. ADJORNMENT

Meeting adjourned at 2:12 p.m.