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# A BILL FOR AN ACT

RELATING TO STATE FACILITIES.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 26-6, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "§26-6 Department of accounting and general services. (a)

4 The department of accounting and general services shall be  
5 headed by a single executive to be known as the comptroller.

6           (b) The department shall:

7           (1) Preaudit and conduct after-the-fact audits of the  
8 financial accounts of all state departments to  
9 determine the legality of expenditures and the  
10 accuracy of accounts;

11           (2) Report to the governor and to each regular session of  
12 the legislature as to the finances of each department  
13 of the State;

14           (3) Administer the state risk management program;

15           (4) Establish and manage motor pools;

16           (5) Manage the preservation and disposal of all records of  
17 the State;



- 1           (6) Undertake the program of centralized engineering and  
2           office leasing services, including operation [~~and~~],  
3           maintenance, and lease buyback processing of public  
4           buildings, for departments of the State;
- 5           (7) Undertake the functions of the state surveyor;
- 6           (8) Establish accounting and internal control systems;
- 7           (9) Provide centralized computer information management  
8           and processing services, coordination in the use of  
9           all information processing equipment, software,  
10          facilities, and services in the executive branch of  
11          the State, and consultation and support services in  
12          the use of information processing and management  
13          technologies to improve the efficiency, effectiveness,  
14          and productivity of state government programs; and
- 15          (10) Establish, coordinate, and manage a program to provide  
16          a means for public access to public information and  
17          develop and operate an information network in  
18          conjunction with its overall plans for establishing a  
19          communication backbone for state government.
- 20          (c) The state communication system shall be established  
21          to:



- 1 (1) Facilitate implementation of the State's distributed  
2 information processing and information resource  
3 management plans;
- 4 (2) Improve data, voice, and video communications in state  
5 government;
- 6 (3) Provide a means for connectivity among the state,  
7 university, and county computer systems; and
- 8 (4) Provide a long-term means for public access to public  
9 information.

10 (d) The department shall facilitate a facility agreement  
11 with any private investor for the sale of a state facility to  
12 the private investor; provided that the facility agreement  
13 contains the following requirements:

14 (1) The State shall sell the facility to the private  
15 investor, who shall:

16 (A) Renovate, improve, or construct a facility for  
17 the State and may maintain the facility; and

18 (B) Lease the facility to the State, pursuant to a  
19 building lease; and

20 (2) The State shall have the option of purchasing the  
21 facility from the private investor for the remaining



1           balance of the debt service costs incurred by the  
2           private investor at any time.

3           For purposes of this subsection:

4           "Building lease" means a contract between the department of  
5           accounting and general services and a private investor in which  
6           the private investor leases an improved facility to the  
7           department for a specified period of time.

8           "Facility" means a building under the management and  
9           control of any state department.

10          "Facility agreement" means an agreement between the State  
11          and a private investor which, at a minimum, includes:

- 12           (1) A description of the work to be done;
- 13           (2) The sale price for the facility;
- 14           (3) The duration of the agreement;
- 15           (4) The roles and responsibilities of the State and the  
16           private investor; and
- 17           (5) The terms and conditions for the lease.

18          "Private investor" means a non-governmental entity.

19          [~~d~~] (e) The department may adopt rules as may be  
20 necessary or desirable for the operation and maintenance of  
21 public buildings, [~~and~~] for the operation and implementation of



1 a program to provide a means for public access to the State's  
2 information network system and public information~~[-]~~, and for  
3 the implementation of facility agreements pursuant to subsection  
4 (d). The rules shall be adopted pursuant to chapter 91.

5 ~~[-(e)]~~ (f) The King Kamehameha celebration commission shall  
6 be placed within the department of accounting and general  
7 services for administrative purposes. The functions, duties,  
8 and powers, subject to the administrative control of the  
9 comptroller, and the composition of the commission shall be as  
10 heretofore provided by law.

11 ~~[-(f)]~~ (g) The functions and authority heretofore exercised  
12 by the comptroller, board of commissioners of public archives,  
13 the archivist, the disposal committee, and the insurance  
14 management, surplus property management, and central purchasing  
15 functions of the bureau of the budget and the nonhighway  
16 functions of the department of public works as heretofore  
17 constituted are transferred to the department of accounting and  
18 general services established by this chapter.

19 ~~[-(g)]~~ (h) The department of accounting and general  
20 services shall preserve and protect Washington Place, including  
21 the grounds and the historic residence situated on its premises



1 at Miller and Beretania Streets in Honolulu. The department  
2 shall administer, manage, operate, and maintain Washington Place  
3 and the trust fund created under subsection (h).

4 ~~[(h)]~~ (i) There is established a trust fund in the state  
5 treasury to be known as the Washington Place trust fund, into  
6 which shall be deposited:

- 7 (1) All rents and fees collected for the use of Washington  
8 Place and from activities conducted on the premises;  
9 (2) All other money received for the fund from any other  
10 source; and  
11 (3) All income and interest earned or accrued on moneys  
12 deposited into the trust fund.

13 All moneys deposited into the trust fund shall be expended  
14 by the department of accounting and general services and used  
15 exclusively to implement the provisions of subsection (g),  
16 including for staff salaries and fringe benefits, and shall not  
17 be transferred, nor subject to transfer, to the general fund or  
18 any other fund in the state treasury."

19 SECTION 2. (a) The department of accounting and general  
20 services shall conduct an inventory of all leases of property  
21 between state agencies and private entities.



1 (b) The department of accounting and general services  
2 shall submit a report of its findings and recommendations,  
3 including any proposed legislation, to the legislature no later  
4 than twenty days prior to the convening of the regular session  
5 of 2016.

6 SECTION 3. There is appropriated out of the general  
7 revenues of the State of Hawaii the sum of \$ or so much  
8 thereof as may be necessary for fiscal year 2015-2016 for the  
9 department of accounting and general services to conduct an  
10 inventory of all leases of property between state agencies and  
11 private entities.

12 The sum appropriated shall be expended by the department of  
13 accounting and general services for the purposes of this Act.

14 SECTION 4. Statutory material to be repealed is bracketed  
15 and stricken. New statutory material is underscored.

16 SECTION 5. This Act shall take effect on July 1, 2050.



**Report Title:**

DAGS; Leases; Facility Agreements; Inventory; Appropriation

**Description:**

Requires DAGS to undertake lease buyback processing under the program of centralized engineering and office leasing services. Requires DAGS to facilitate facility agreements between the State and private investors. Requires DAGS to conduct an inventory of all leases of property to state agencies. Makes an appropriation. Effective 7/1/2050. (SD2)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

