

DAVID Y. IGE
GOVERNOR



JAMES K. NISHIMOTO
DIRECTOR

CINDY S. INOUE
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
235 S. BERETANIA STREET
HONOLULU, HAWAII 96813-2437

March 28, 2016

**TESTIMONY TO THE
SENATE COMMITTEE ON WAYS AND MEANS**

For Hearing on Wednesday, March 30, 2016
9:15 a.m., Conference Room 211

BY
JAMES K. NISHIMOTO
DIRECTOR

House Bill No. 2007, H.D. 2
Relating to Government Operations

WRITTEN TESTIMONY ONLY

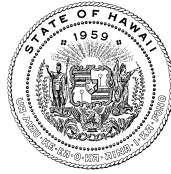
TO CHAIRPERSON TOKUDA, VICE CHAIRPERSON DELA CRUZ AND MEMBERS
OF THE COMMITTEE:

HB 2007, H.D.2 establishes a Lean Government Advisory Board within the Department of Human Resources Development (DHRD) for administrative purposes, and requires the Board to make recommendations for improving state government efficiency.

DHRD appreciates the intent of HB 2007, H.D.2, provided that any appropriation made to support the Lean Government Advisory Board does not supplant Executive Branch budget priorities, such as additional funding for workers' compensation claims. DHRD is statutorily mandated to administer the State's self-insured workers' compensation program.

Thank you for the opportunity to testify on this measure.

DAVID Y. IGE
GOVERNOR



WRITTEN ONLY

WESLEY K. MACHIDA
DIRECTOR

RODERICK K. BECKER
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

**STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE**

P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**TESTIMONY BY WESLEY K. MACHIDA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
HOUSE BILL NO. 2007, H.D. 2**

March 30, 2016
9:15 a.m.

RELATING TO GOVERNMENT OPERATIONS

House Bill No. 2007, H.D. 2, adds a new part to Chapter 27, Hawaii Revised Statutes, to establish a lean government advisory board to make recommendations for improving State government efficiency. The advisory board would consist of the Director of each principal department as enumerated in Section 26-4, Hawaii Revised Statutes, and a member (who is familiar with lean principles) appointed by the Governor, and would be placed administratively within the Department of Human Resources Development.

The Department of Budget and Finance supports the general intent of improving government efficiency and effectiveness; however, we do not believe it necessary to codify the establishment of an advisory board for that purpose.

If a lean government advisory board is statutorily established, it should be noted that successful implementation will take time and more than likely require additional resources to plan and implement.



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Twenty-Eighth Legislature, State of Hawaii
The Senate
Committee on Ways and Means

Testimony by
Hawaii Government Employees Association

March 30, 2016

H.B. 2007, H.D. 2 – RELATING TO
GOVERNMENT OPERATIONS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO offers comments and suggested amendments to H.B. 2007, H.D. 2, which establishes a Lean Government Advisory Board to make recommendations to improve state government efficiency.

While we can agree that efficiency is important, we respectfully argue that effectiveness is more important. The services provided by state government must be able to resolve issues effectively and deliver those services in an efficient manner. However, without sufficient personnel resources, it is difficult for state government to perform effectively and efficiently. Additionally, we would note that State government is still recovering from the Great Recession and the subsequent reduction-in-force (RIF) that occurred in 2009. The RIF highlights the importance of ensuring the continuation of effective programs.

With respect to the Lean Government Advisory Board, we suggest including not just department directors, but members from the Exclusive Representatives of the various collective bargaining units. Line employees and their unions know first hand how state government is currently operating and can identify ways of improving effectiveness and efficiency. A diverse representation of management, employees, and unions on the Advisory Board is critical for meaningful dialogue.

Thank you for the opportunity to testify on H.B. 2007, H.D. 2.

Respectfully submitted,


for Randy Perreira
Executive Director