

JAN 27 2021

A BILL FOR AN ACT

RELATING TO STATE GOVERNMENT.

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

1 SECTION 1. The Hawaii Revised Statutes is amended by
2 adding a new chapter to be appropriately designated and to read
3 as follows:

4 **"CHAPTER**

5 **PUBLIC ACCOUNTABILITY**

6 § -1. **Definitions.** As used in this chapter:

7 "Executive director" means the executive director of public
8 accountability.

9 "Office" means the office of public accountability.

10 § -2. **Office of public accountability; executive**

11 **director.** There is established an office of public
12 accountability that shall be administratively attached to the
13 legislature. The legislature, by a majority vote of each house
14 in joint session, shall appoint an executive director who shall
15 serve for a period of six years and thereafter until a successor
16 shall have been appointed. The legislature, by two-thirds vote
17 of the members in joint session, may remove or suspend the



1 executive director from office, but only for neglect of duty,
2 misconduct, or disability.

3 The executive director shall be compensated at a salary
4 level set by the legislature.

5 § -3 **Staff; funding.** (a) The executive director may
6 hire employees necessary to carry out the functions of the
7 office. All employees shall serve at the executive director's
8 pleasure.

9 (b) In determining the salary of the employees of the
10 office, the executive director shall consult with the department
11 of human resources development.

12 (c) The executive director and the executive director's
13 full-time staff shall be entitled to participate in any employee
14 benefit program plan or privilege available to other state
15 employees.

16 § -4. **Oversight and administrative responsibility;**
17 **divisions.** (a) The office shall assume oversight and
18 administrative responsibility for the office of the auditor,
19 office of the ombudsman, office of information practices, Hawaii
20 state ethics commission, and campaign spending commission.



(b) There is established within the office the following divisions:

(1) The audit division, which shall consist of the office of the auditor;

(2) The complaints division, which shall consist of the office of the ombudsman and office of information practices;

(3) The ethics division, which shall consist of the Hawaii state ethics commission; and

(4) The campaign spending division, which shall consist of the campaign spending commission."

SECTION 2. Section 11-311, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) There is established a campaign spending commission, which shall be placed within the [~~department of accounting and general services for administrative purposes.~~] campaign spending division of the office of public accountability."

SECTION 3. Section 23-2, Hawaii Revised Statutes, is amended to read as follows:

"§23-2 Auditor; appointment, tenure, removal. The auditor shall be appointed, hold office for such term, and be subject to



removal in the manner prescribed in [~~section 10, Article VII,~~
article VII, section 10 of the Hawaii State Constitution. The
office of the auditor shall be placed within in the audit
division of the office of public accountability."

SECTION 4. Section 23-3, Hawaii Revised Statutes, is
 amended by amending subsection (b) to read as follows:

"(b) The funds for the support of the auditor's office
 shall be provided for in the act providing for the expenses of
 the [~~legislature.~~] office of public accountability."

SECTION 5. Section 26-6, Hawaii Revised Statutes, is
 amended by amending subsection (b) to read as follows:

"(b) The department shall:

- (1) Preaudit and conduct after-the-fact audits of the
 financial accounts of all state departments to
 determine the legality of expenditures and the
 accuracy of accounts;
- (2) Report to the governor and to each regular session of
 the legislature as to the finances of each department
 of the State;
- (3) Administer the state risk management program;
- (4) Establish and manage motor pools;



1 (5) Manage the preservation and disposal of all records of
2 the State;

3 (6) Undertake the program of centralized engineering and
4 office leasing services, including operation and
5 maintenance and lease buyback processing pursuant to
6 subsection (d) of public buildings, for departments of
7 the State;

8 (7) Undertake the functions of the state surveyor;

9 (8) Establish accounting and internal control systems;

10 (9) Under the direction of the chief information officer,
11 provide centralized computer information management
12 and processing services; and

13 (10) Establish a program to provide a means for public
14 access to public information and develop an
15 information network for state government[~~+~~and

16 ~~(11) Assume administrative responsibility for the office of~~
17 ~~information practices]."~~

18 SECTION 6. Section 84-21, Hawaii Revised Statutes, is
19 amended by amending subsection (a) to read as follows:

20 "(a) There is established within the ethics division of
21 the office of [~~the auditor for administrative purposes only~~]



1 public accountability a commission to be known as the state
2 ethics commission. The commission shall consist of five members
3 appointed by the governor from a panel of ten persons nominated
4 by the judicial council. Each member of the commission shall be
5 a citizen of the United States and a resident of the State.
6 Members of the commission shall hold no other public office."

7 SECTION 7. Section 89C-1.5, Hawaii Revised Statutes, is
8 amended by amending the definition of "appropriate authority" to
9 read as follows:

10 ""Appropriate authority" means the governor, the respective
11 mayors, the chief justice of the supreme court, the board of
12 education, the board of regents, the state public charter school
13 commission, the Hawaii health systems corporation board, the
14 ~~[auditor, the ombudsman,]~~ executive director of public
15 accountability, and the director of the legislative reference
16 bureau. These individuals or boards may make adjustments for
17 their respective excluded employees."

18 SECTION 8. Section 92F-41, Hawaii Revised Statutes, is
19 amended by amending subsection (a) to read as follows:



1 "(a) There is established an office of information
2 practices within the [~~department of accounting and general~~
3 ~~services for administrative purposes; provided that:~~

4 ~~(1) Any quasi-judicial functions of the office of~~
5 ~~information practices shall not be subject to the~~
6 ~~approval, review, or control of the comptroller; and~~

7 ~~(2) The comptroller shall not have the power to supervise~~
8 ~~or control the office of information practices in the~~
9 ~~exercise of its functions, duties, and powers under~~
10 ~~section 92F-42.] complaints division of the office of~~
11 public accountability."

12 SECTION 9. Section 96-2, Hawaii Revised Statutes, is
13 amended to read as follows:

14 **"§96-2 Ombudsman; office established, appointment, tenure,**
15 **removal, qualifications, salary, vacancy.** The office of
16 ombudsman is established[+] within the complaints division of
17 the office of public accountability. The legislature, by a
18 majority vote of each house in joint session, shall appoint an
19 ombudsman who shall serve for a period of six years and
20 thereafter until a successor shall have been appointed. An
21 ombudsman may be reappointed but may not serve for more than



1 three terms. The legislature, by two-thirds vote of the members
2 in joint session, may remove or suspend the ombudsman from
3 office, but only for neglect of duty, misconduct, or disability.

4 No person may serve as ombudsman within two years of the
5 last day on which the person served as a member of the
6 legislature, or while the person is a candidate for or holds any
7 other state office, or while the person is engaged in any other
8 occupation for reward or profit. Effective July 1, 2005, the
9 salary of the ombudsman shall be the same as the salary of the
10 director of health. The salary of the ombudsman shall not be
11 diminished during the ombudsman's term of office, unless by
12 general law applying to all salaried officers of the State.

13 If the ombudsman dies, resigns, becomes ineligible to
14 serve, or is removed or suspended from office, the first
15 assistant to the ombudsman becomes the acting ombudsman until a
16 new ombudsman is appointed for a full term."

17 SECTION 10. Section 96-3, Hawaii Revised Statutes, is
18 amended by amending subsection (e) to read as follows:

19 "(e) The funds for the support of the office of the
20 ombudsman shall be provided for in the act providing for the
21 expenses of the ~~[legislature.]~~ office of public accountability."



SECTION 11. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ or so much thereof as may be necessary for fiscal year 2021-2022 and the same sum or so much thereof as may be necessary for fiscal year 2022-2023 for the operating expenses of the office of public accountability.

7 The sums appropriated shall be expended by the office of
8 public accountability for the purposes of this Act.

9 SECTION 12. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 13. This Act shall take effect on July 1, 2021.

INTRODUCED BY:

Paul Rhoads



S.B. NO. 1350

Report Title:

Office of Public Accountability; Auditor; Ombudsman; OIP; State Ethics Commission; Campaign Spending Commission; Appropriation

Description:

Establishes the office of public accountability to assume oversight and administrative responsibility for the office of the auditor, office of the ombudsman, office of information practices, Hawaii state ethics commission, and campaign spending commission. Appropriates funds.

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