



STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 03/23/2021

Time: 09:30 AM

Location: CR 229 & Videoconference

Committee: Senate Government
Operations

Senate Commerce and Consumer
Protection

Department: Education

Person Testifying: Dr. Christina M. Kishimoto, Superintendent of Education

Title of Bill: HB 0516, HD1 RELATING TO SUSTAINABLE ELECTRONICS
MANAGEMENT.

Purpose of Bill: Requires persons who receive state funds and state financial assistance to donate unnecessary but functioning electronic devices, hardware, and televisions to nonprofit organizations that will refurbish and distribute them to eligible persons in the State. Sets reporting requirements for donating entities, nonprofit refurbishers, and the department of accounting and general services. Sets penalties for violations. Effective 7/1/2112. (HD1)

Department's Position:

The Hawaii State Department of Education (Department) supports HB 516, HD1 requiring recipients of state funds and financial assistance to donate unnecessary but functional electronic devices, hardware, and televisions for refurbishment and distribution to eligible persons in the State.

Access to devices and technology resources for low-income families and other populations in need of access is a long-standing issue. The issue became more evident with the onset of the COVID-19 pandemic, which required the people of the state to work and learn remotely. The Department appreciates that this measure recognizes the need for access to technology resources by proposing a cost-efficient solution that is also sustainable and environmentally responsible.

Thank you for the opportunity to provide testimony on this measure.

The Hawai'i State Department of Education is committed to delivering on our promises to students, providing an equitable, excellent, and innovative learning environment in every school to engage and elevate our communities. This is achieved through targeted work around three impact strategies: school design, student voice, and teacher collaboration. Detailed information is available at www.hawaiipublicschools.org.



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
THIRTY-FIRST LEGISLATURE, 2021**

ON THE FOLLOWING MEASURE:

H.B. NO. 516, H.D. 1, RELATING TO SUSTAINABLE ELECTRONICS MANAGEMENT.

BEFORE THE:

SENATE COMMITTEES ON GOVERNMENT OPERATIONS AND ON COMMERCE AND CONSUMER PROTECTION

DATE: Tuesday, March 23, 2021 **TIME:** 9:30 a.m.

LOCATION: State Capitol, Room 229, Via Videoconference

TESTIFIER(S): Clare E. Connors, Attorney General, or Stella M.L. Kam, Deputy Attorney General

Chairs Moriwaki and Baker and Members of the Committees:

The Department of the Attorney General provides the following comments on this bill.

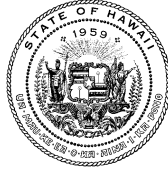
This bill creates a new chapter in Hawaii Revised Statutes that requires “covered entities” (defined as “any person receiving state funds and state financial assistance”) to transfer, as a charitable contribution, their still working but unneeded electronic devices to refurbishers so that those electronic devices can be repaired, upgraded, refurbished, and donated to individuals in need, charitable, religious, or nonprofit organizations, or government entities. The bill also requires covered entities and refurbishers to report the transfers and refurbishments to the Department of Accounting and General Services (DAGS) and requires DAGS to maintain a database with information about the transferred and refurbished electronic devices. DAGS is also required to promulgate administrative rules that would include fines for covered entities and refurbishers who violate the provisions of this new chapter. In addition, the Department of the Attorney General is authorized to file lawsuits enjoining individuals and organizations from selling or leasing the refurbished electronic devices they have received under this chapter.

This bill has good intentions, but would be difficult, if not impossible, to enforce because of the multitude of individuals, organizations, and businesses that receive state funds and financial assistance. In addition, the bill relies upon self-reporting to DAGS

by these covered entities and refurbishers about the disposal or transfer or refurbishment of their “covered electronic devices.” If a covered entity or refurbisher does not self-report, there is no way for the State to otherwise monitor the movement of covered electronic devices within those covered entities or refurbishers.

Thank you for considering our comments on this bill.

DAVID Y. IGE
GOVERNOR



CURT T. OTAGURO
COMPTROLLER
AUDREY HIDANO
DEPUTY COMPTROLLER

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
P.O. BOX 119, HONOLULU, HAWAII 96810-0119

WRITTEN TESTIMONY
OF
CURT T. OTAGURO, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
COMMITTEES ON GOVERNMENT OPERATIONS/
COMMERCE AND CONSUMER PROTECTION

TUESDAY, MARCH 23, 2021, 9:30 A.M.
CONFERENCE ROOM 229 VIA VIDEOCONFERENCE, STATE CAPITOL

H.B. 516, H.D. 1

RELATING TO SUSTAINABLE ELECTRONICS MANAGEMENT

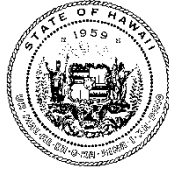
Chairs Moriwaki and Baker, Vice Chairs Dela Cruz and Chang, and members of the Committees, thank you for the opportunity to testify on H.B. 516, H.D. 1.

The Department of Accounting and General Services (DAGS) appreciates the intent to promote electronics stewardship and reduce electronic waste in the State by requiring all persons who receive state financial assistance to donate unnecessary but functioning electronic devices to nonprofit organizations that will refurbish and distribute them to eligible persons in the State. After further review of the bill, DAGS opposes this bill due to concerns that was not addressed in the current revision which include the following reasons.

The setting of operational rules and monitoring requirements over private, non-profit and non-government organizations is not within DAGS scope of authority. The primary departments that contract with public service providers are Department of Health (DOH) or the Department of Human Services (DHS). Unlike DOH and DHS, the DAGS does not know who gets “state financial assistance”.

In addition, there is an operational component that is unfunded to staff this program which includes moving equipment from offices to a staging area for pick up. The challenge becomes logistics if the expectation is to centralize pick up. If interested non-profits coordinate their own pick up of unnecessary/functioning technology from departments, this may be a better solution the State to reduce costs and for non-profits to acquire unnecessary/functioning electronic devices.

Thank you for the opportunity to testify on this matter.



STATE OF HAWAII
STATE PROCUREMENT OFFICE

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TESTIMONY
OF
BONNIE KAHAKUI, ACTING ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE SENATE COMMITTEES
ON
GOVERNMENT OPERATIONS
AND COMMERCE AND CONSUMER PROTECTION

Tuesday, March 23, 2021, 9:30 A.M.

HOUSE BILL 516, HD1
RELATING TO SUSTAINABLE ELECTRONICS MANAGEMENT

Chair Moriwaki, Chair Baker, Vice Chair Dela Cruz, Vice Chair Chang, and members of the committees, thank you for the opportunity to submit testimony on HB 516, HD1.

The State Procurement Office (SPO) appreciates the intent to promote electronics stewardship and reduce electronic waste in the State by requiring all persons who receive state financial assistance to donate unnecessary but functioning electronic devices to nonprofit organizations that will refurbish and distribute them to eligible persons in the State. However, the SPO points out that the proposed bill does not address the logistics to properly refurbish and distribute such electronic devices and to determine eligibility of the recipients of those devices. For this main reason the SPO **opposes** this bill.

Although it is not specifically identified in the bill, the SPO's Surplus Property Office is the agency already tasked with surplus property such as electronic devices. Supported by the Surplus Federal Property Revolving Fund, the Surplus Property Office's objective is to re-utilize federal and state property declared surplus or excess. The fund is maintained in an amount adequate to defray the costs of procuring, storing, handling, and disposing of surplus property donated to the State under any federal act or State rules making surplus federal and state property available.

The reasons that the SPO opposes this measure are as follows:

- 1) The bill does not align with Part 102-37, Code of Federal Regulations, Donation of Surplus Personal Property. The Federal Code states that except as provided in §102-

37.495, State Agencies for Surplus Property (SASP) must use funds collected from service charges, or from other sources such as proceeds from sale of undistributed property or funds collected from compliance cases, solely for the operation of the SASP and the benefit of participating donees.

- 2) The SPO's Surplus Property Office is self-sustained by charging fees to defray the costs of procuring, storing, handling, and disposing of surplus property, which is deposited into a revolving fund. HB516, HD1, page 11, lines 14-18, does not allow the department to assess any fees on eligible recipients, covered entities, or covered refurbishers for the acts of transferring or receiving title to and possession of excess electronic devices. This would leave the Surplus Property Office to bear the burden of these additional costs, with no compensation, on an already stretched budget.
- 3) The SPO's Surplus Property Office, which is understaffed, does not have the resources to take on such a huge undertaking. The Surplus Property Office will require additional resources to develop administrative rules and funding for the administration of the program, and at least five new staff members to handle the program.
- 4) The monitoring requirements outlined in HB 516, HD1, are well outside the scope and authority of the SPO's Surplus Property Office. The SPO has no jurisdiction over private entities that are receiving state financial assistance, and will have to work with the Department of Health, Department of Human Services, as well as other agencies statewide who provide financial assistance, to determine what private entities would be eligible under this legislation.

Thank you.

LATE

HB-516-HD-1

Submitted on: 3/22/2021 10:24:44 AM

Testimony for GVO on 3/23/2021 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Joe Hammond	Individual	Support	No

Comments:

I am in support of this bill. I believe that a lot of older (but still functioning) technologies are wasted in storage, not recycled, and/or not thrown away/disposed correctly. With this bill it would allow for these wasted technologies to be donated and used by other people who can make use of them. Especially with the current situation of the pandemic everyone is in need of a technology device as many are continuing to work and go to school from home.