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DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

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WRITTEN TESTIMONY
OF
CURT T. OTAGURO, STATE COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE

COMMITTEE ON
WAYS AND MEANS

FEBRUARY 22, 2022, 10:00 A.M.
VIA VIDEOCONFERENCE, STATE CAPITOL

S.B. 3282

RELATING TO GOVERNMENT RECORDS

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee, thank you for the opportunity to testify on S.B. 3282.

The Department of Accounting and General Services (DAGS) supports this bill and offers the following comments:

1. The State Archives was founded in 1905 with a Legislative Mandate to “Collect all Public Archives.” They expanded their mission with the addition of the Records Management Branch in order to “promote efficient and effective management of government records.” In pursuit of this mission, the services offered include records management review to assist agencies in identifying and scheduling their records per a legal retention schedule, consulting services to establish effective filing mechanisms for both paper and electronic records, offering offsite, high density, low-to-no cost storage of inactive records that have

not yet met their legal retention period and witnessed destruction of records that have reached their legal retention period.

2. While the State Records Center at Mapunapuna has a storage capacity of nearly 60,000 cubic feet of records, it rarely exceeds 50% capacity utilization. Increased use of the State Records Center, which can store records at approximately 1/5 of the cost of storing the same in State office space and save the State up to \$650,000 and reduce office space needs by up to 5,000 sq. ft. if the records center were to be fully utilized.
3. There are two major factors that have been identified that are limiting agencies from making greater use of the State Records Center and/or Archives for storage of government records: a lack of understanding amongst State employees regarding which records schedules should be implemented with their records, and an inability to transfer records for bulk, low-to-no-cost storage at the State Records Center and/or Archives.
4. This bill is intended to not only address those limiting factors, but also enable the State Comptroller to provide clear, uniform instructions as to when non-permanent records should be sent to the State Records Center for storage and eventual destruction, and permanent records transferred to the Archives for long-term preservation and public access. This bill would provide the Records Management Branch with two needed positions: the first to work directly with agencies to improve the management of records of their agencies (the Records Analyst/Archivist III position request); and the second to serve as a Warehouse Worker to operate a light truck or van to pick up and deliver records from agencies to the State Records Center; check items received or delivered against records transmittal forms; operate an electric pallet truck and aerial lift to stack and place records in proper shelving location; hand-truck, carry, push, or roll boxes of records in the State Records Center; pack/unpack boxes of records; assemble records as authorized by

records requests forms and deliver and issue requested records to authorized persons;
make proper notation of pick up or delivery of records on Records Management database system (Warehouse Worker position request).

5. Both positions would also make annual trips to the neighbor islands to assist in their identification and management of records, as well as supervise shipment by container of inactive records for mass, low-cost storage at the State Records Center and/or Archives.
6. Along with the two position requests, additional program funding is requested to: purchase and maintain a delivery van, upgrade the records tracking database at the Records Center, increased budget for Records Management to travel to the neighbor islands, container shipping from neighbor islands to Oahu, and increased annual records destruction.

Thank you for the opportunity to submit testimony on this matter.

DAVID Y. IGE
GOVERNOR



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FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
SENATE BILL NO. 3282

February 22, 2022
10:00 a.m.
Room 211 and Videoconference

RELATING TO GOVERNMENT RECORDS

The Department of Budget and Finance (B&F) offers comments on Senate Bill (S.B.) No. 3282.

S.B. No. 3282 allows the Comptroller to direct the transfer of records to the State Records Center (SRC) and determine the time period after which the records shall be transferred as directed. The bill appropriates to the Department of Accounting and General Services \$275,000 in general funds in FY 23 for the operating costs and equipment necessary to administer the SRC, provided that \$108,000 of the moneys appropriated shall be used to fund the salary of two full-time equivalent positions within the State Archives.

B&F notes that, with respect to the general fund appropriation in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of efforts (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.