



DAVID Y. IGE
GOVERNOR

JOSH GREEN
LT. GOVERNOR

**STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

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CATHERINE P. AWAKUNI COLÓN
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

Testimony of the Department of Commerce and Consumer Affairs

**Before the
House Committee on Government Reform
Wednesday, March 17, 2021
10:00 a.m.
Via Videoconference**

**On the following measure:
S.B. 82, S.D. 2, RELATING TO GOVERNMENT OPERATION AND POLICY**

Chair McKelvey and Members of the Committee:

My name is Catherine Awakuni Colón, and I am the Director of the Department of Commerce and Consumer Affairs (DCCA or Department). The Department appreciates the intent of this bill and offers comments.

The purpose of this bill is to require: (1) each new member of a board or commission to participate in an orientation and training session with the head of the department with jurisdiction of that member's board or commission or their designee; and (2) each department and agency to train their members at least once per calendar year.

Over 50 boards and commissions are administratively attached to the DCCA, including numerous professional and vocational licensing boards, and the board of directors of the Hawaii Hurricane Relief Fund. As such, this bill could have a significant impact on the DCCA. The Department recognizes and appreciates that this bill is intended to ensure that board members have appropriate training to effectively fulfill

their board responsibilities and agrees that board members should receive training. To that end, the Department offers the following suggestion:

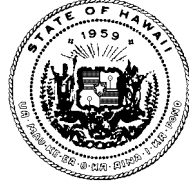
Page 2, lines 8 through 12, provides that the annual training must pertain to “the mission, roles, and responsibilities under applicable federal, state, and local laws; programs; processes and procedures; and statutes relevant to the work of the board or commission on which the member sits.” The Department is concerned that this requirement may be unnecessarily complex and suggests simplifying this phrase as follows: “the mission, roles, responsibilities, laws, programs, and procedures relevant to the work of the board or commission”

In the Department’s experience, effective board training could include training that is appropriate for any board member, such as sunshine law, administrative rulemaking, and ethics training, as well as training specific to the particular board or commission. Recognizing the significant time requirements already placed on volunteer board members by virtue of participating in board meetings, the Department urges the Committee to support online, on-demand training, where feasible, to reduce travel and per diem costs and to minimize inconvenience to board members. In addition, because this bill places additional burdens on departments that house boards and commissions, as well as agencies that must conduct training, it would be important to provide adequate funding to all affected departments and agencies.

Should this measure pass, the Department would request additional funding and an additional position to implement the requisite training for the boards and commissions that the DCCA regulates. For the Committee’s information, one to two members of each board and commission are typically replaced annually. In addition, the Department would request a delayed effective date to ensure sufficient time for implement this measure.

Thank you for the opportunity to testify on this bill.

DAVID Y. IGE
GOVERNOR



CATHY BETTS
DIRECTOR

JOSEPH CAMPOS II
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

P. O. Box 339
Honolulu, Hawaii 96809-0339

March 14, 2021

TO: The Honorable Representative Angus L.K. McKelvey, Chair
House Committee on Government Reform

FROM: Cathy Betts, Director

SUBJECT: **SB 82 SD2 – RELATING TO GOVERNMENT OPERATION AND POLICY.**

Hearing: March 17, 2021, 9:30 a.m.
Via Videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this measure and provides comments.

DHS appreciates the amendments of the Senate Committees on Government Operations and Ways and Means that amended the measure by:

- (1) Moving the proposed language from section 26-35.5, Hawaii Revised Statutes, relating to liability matters of members of boards and commissions, to section 26-34, Hawaii Revised Statutes, relating to the selection and terms of members of boards and commissions;
- (2) Clarifying each new board and commission member shall participate in an orientation and training session;
- (3) Allowing the designee of the head of the department or agency to conduct the training;
- (4) Removing the requirement for members to complete training before receiving voting rights;
- (5) Specifying that the initial training include the mission, roles, and responsibilities under applicable federal, state, and local laws; programs; processes and procedures; and statutes relevant to the work of the board or commission on which the member sits;
- (6) Requiring the annual training to supplement the initial training; and

- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

PURPOSE: Requires each new member of a board or commission to participate in an orientation and training session with the head of the department with jurisdiction of that member's board or commission or their designee. Requires each department and agency to train their members at least once per calendar year. (SD2)

DHS agrees that training resources should be available to new members as well as interested applicants to boards and commissions. DHS respectfully suggests that training mandates and resources be centralized and on-line, and perhaps be made available during the application process, so that applicants understand more fully their role, responsibilities, and time commitment when becoming a member of a State board or commission. The ability to record course completion for core curriculum would also be a benefit.

For commissions or councils that do not have paid staff, the administrative tasks of these commissions or councils are often left to the agency staff to perform. As administrative staff resources are limited, and in the case of DHS are more often cost-allocated to program funding streams, these unfunded responsibilities will require additional general funded resources to support these training modules and mandates.

DHS also requests clarification of the required training subject matter. While commissions may be attached for administrative purposes, unless the Legislature has provided it, the agency may not necessarily have any controls, supervisory authority, or subject matter knowledge over the mission, or the work of the attached commission, board, or council. Depending upon the backgrounds and interests of the members, the statutory mission can be interpreted broadly and differently from previous board or commission leadership. Additional resources should be made available to the board or commission directly so that they may develop their own training resources.

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



STATE OF HAWAII
Executive Office on Early Learning
2759 South King Street
HONOLULU, HAWAII 96826

March 15, 2021

TO: Representative Angus L.K. McKlevey, Chair
Representative Tina Wildberger, Vice Chair
House Committee on Government Reform

FROM: Lauren Moriguchi, Director
Executive Office on Early Learning

SUBJECT: Measure: S.B. No. 82 S.D. 2 – RELATING TO GOVERNMENT OPERATION
AND POLICY

Hearing Date: Wednesday March 17, 2021

Time: 10:00 a.m.

Location: Videoconference

Bill Description: Requires each new member of a board or commission to participate in an orientation and training session with the head of the department with jurisdiction of that member's board or commission or their designee. Requires each department and agency to train their members at least once per calendar year (SD2).

EXECUTIVE OFFICE ON EARLY LEARNING'S COMMENTS

Good morning. I am Lauren Moriguchi, Director of the Executive Office on Early Learning (EOEL). EOEL is providing comments on S.B. No. 82 SD 2 – relating to government operation and policy. The purpose of this bill is to require: each new member of a board or commission to participate in an orientation session and annual training with the head of the department, or their designee, with jurisdiction of that member's board or commission, and each department/agency to update their members on information to supplement their initial training.

EOEL is statutorily responsible for the development of the State's early childhood system that shall ensure a spectrum of high-quality development and learning opportunities for children throughout the state, from prenatal care until the time they enter kindergarten, with priority given to underserved or at-risk children. The Early Learning Board (ELB) was established as a governing board through Act 202, SLH 2017.

ELB is responsible for directing the EOEL on how best to meet the developmental and educational needs of children, from prenatal care to entry into kindergarten; providing recommendations to EOEL on improving the quality, availability, and coordination of early learning programs; promoting collaboration across agencies and stakeholders serving young children; and appoint the EOEL director and evaluating the director on an annual basis.

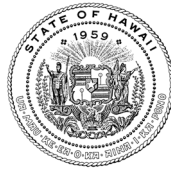
The EOEL is attached to the Department of Education (HIDOE) for administrative purposes only, and is governed by a separate board, the ELB. As such, the current language in the bill is unclear whether the director of EOEL or the Superintendent of HIDOE would be responsible for providing the formal educational and orientation session with ELB members. EOEL respectfully requests the following consideration for amendments to section 1, subsection (b), starting on line 4:

“(b) Upon appointment, each new member shall participate in an orientation and training session with the head of department or agency that administratively controls or supervises, or is governed by, the member’s board or commission...”

Page 2, lines 4 through 12, states that each new member shall participate in an orientation and training session “regarding the mission, roles, and responsibilities under applicable federal, state, and local laws; programs; processes and procedures; and statutes relevant to the work of the board or commission on which their members sit.”

As EOEL is statutorily responsible for the coordination of the early childhood system, this training may encompass laws, programs, processes and procedures, and statutes that fall under the purview of other departments such as the Department of Human Services, HIDOE, and the Department of Health. This would require extensive time, collaboration, and additional resources to implement. Should this measure pass, and EOEL is determined as the entity responsible for conducting the training and orientation with ELB members, the office would need to request additional funding and an additional position to implement the requisite orientation and training that would require coordination and collaboration with other departments.

Thank you for your consideration, and for the opportunity to testify on this bill. I am happy to answer any questions you may have.



STATE OF HAWAII
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
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DONNA A. TONAKI

WRITTEN ONLY

TESTIMONY BY DEREK MIZUNO
ADMINISTRATOR, HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON GOVERNMENT REFORM
ON SENATE BILL NO. 82 S.D. 2

March 17, 2021
10:00 a.m.
Conference Room 309 & Via Videoconference

RELATING TO GOVERNMENT OPERATION AND POLICY

Chair McKelvey, Vice Chair Wildberger, and Members of the Committees:

The Hawaii Employer-Union Health Benefits Trust Fund (EUTF) Board of Trustees has not taken a position on this bill. EUTF staff would like to provide comments.

The intent of this bill is to mandate a formal educational and orientation session for new board members and annual training for all board members. New EUTF board members currently receive a formal educational and orientation session with the EUTF Administrator prior to their first Board meeting. EUTF staff would like to raise concerns on the requirement for an annual training session. The EUTF board meets monthly for 2-3 hours and usually has at least one Administrative, Benefits or Investment Committee meeting (another 2-3 hours) each month. During these meetings, the Board and committees discuss the "mission, roles, and responsibilities under federal, state and local laws; programs; processes and procedures; and statutes relevant to the work of the

EUTF's Mission: We care for the health and well being of our beneficiaries by striving to provide quality benefit plans that are affordable, reliable, and meet their changing needs. We provide informed service that is excellent, courteous, and compassionate.

board". Additionally, most EUTF board members serve long tenures with many serving the full two, four-year terms. Annual mandatory training on the basic functions and rules of the EUTF does not seem to be necessary.

Thank you for the opportunity to testify.

DAVID Y. IGE
GOVERNOR OF
HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the House Committee on
GOVERNMENT REFORM**

**Wednesday, March 17, 2021
10:00 AM**

State Capitol, Videoconference, Conference Room 309

**In consideration of
SENATE BILL 82, SENATE DRAFT 2
RELATING TO GOVERNMENT OPERATION AND POLICY.**

Senate Bill 82, Senate Draft 1 proposes to amend Section 26-35.5, Hawaii Revised Statutes (HRS), to include formal training to all new state board and commission members (members) and to provide annual supplemental updates to all board members at least once a year. **The Department of Land and Natural Resources (Department) offers the following comment.**

The Department supports formalized training for new board members and annual supplemental updates for all board members. However, given that board members are volunteers, and recognizing that scheduling difficulties are likely to occur, the Department would like clarity on how these trainings are delivered. The Department suggests the following language (highlighted in gray) be added to subsection (b) of SECTION 1 on page 3:

(b) Upon appointment, each new member shall participate in an orientation and training session with the head of the department or agency that administratively controls or supervises the member's board or commission, or the designee of the head of the department or agency, regarding the mission, roles, and responsibilities under applicable federal, state, and local laws; programs; processes and procedures; and statutes

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA
FIRST DEPUTY

M. KALEO MANUEL
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

relevant to the work of the board or commission on which the member sits. These training sessions can be by video or be modular sessions that board members can review at their convenience, provided the entire training is completed within six months of their appointment. If modular sessions are provided, departments will provide a feedback loop to allow for questions, which will be answered within one week.

The Department requests that the following language be appropriately inserted and added as a new SECTION on page 3.

SECTION . Departments shall have one (1) year from the approval of this Act to develop training materials. Training requirements for board and commission members shall become effective on July 1, 2022.

The Department notes, with regard to process, procedures, and statutes, Deputy Attorney Generals from the Department of the Attorney General are normally on hand to guide the boards with legal advice.

Thank you for the opportunity to comment on this measure.

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
COMMITTEE ON
GOVERNMENT REFORM

WEDNESDAY, MARCH 17, 2021, 10:00 A.M.
CONFERENCE ROOM 309 VIA VIDEOCONFERENCE, STATE CAPITOL

S.B. 82, S.D. 2

RELATING TO GOVERNMENT OPERATION AND POLICY.

Chair McKelvey, Vice Chair Wildberger, and members of the Committee, thank you for the opportunity to submit testimony of S.B. 82, S.D. 2.

The Department of Accounting and General Services (DAGS) appreciates the intent of S.B. 82, S.D. 2 which requires each new member of a board or commission to participate in a formal educational and orientation session with the head of the department with jurisdiction of that member's board or commission to receive voting rights and requires each department and agency to train their members at least once per calendar year. The DAGS has seven (7) attached agencies that have their own boards and commissions. The DAGS offers the following comments:

1. Hawaii Revised Statutes, section 26-35(a)(8) restricts the department head from supervising or controlling the board or commission "in the exercise of its functions, duties and powers".

2. The head of the agency that has direct administrative control or supervision to the board or commission members should confirm with their board/commission chair that all members had the appropriate training.
3. Board or commission chairs should send certifications of completed training to the Office of the Governor's Boards and Commissions Office to track compliance.
4. We recommend that all members of boards and commissions also be required to complete existing training offered by the State Ethics Commission and the Office of Information Practices.

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

DAVID Y. IGE
Governor

JOSH GREEN
Lt. Governor



PHYLLIS SHIMABUKURO-GEISER
Chairperson, Board of Agriculture

MORRIS ATTA
Deputy to the Chairperson

State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512
Phone: (808) 973-9600 FAX: (808) 973-9613

**TESTIMONY OF PHYLLIS SHIMABUKURO-GEISER
CHAIRPERSON, BOARD OF AGRICULTURE**

BEFORE THE HOUSE COMMITTEE ON GOVERNMENT REFORM

**MARCH 17, 2021
10:00 A.M.
VIA VIDEOCONFERENCE**

**SENATE BILL NO. 82, SD2
RELATING TO GOVERNMENT OPERATION AND POLICY**

Chairperson McKelvey and Members of the Committee:

Thank you for the opportunity to testify on proposed Senate Bill No. 82, SD2. This bill requires each new member of a board or commission to participate in an orientation and training session with the head of the department with jurisdiction of that member's board or commission or their designee, and additionally requires each department and agency to train their respective board members at least once per calendar year. The Department respectfully offers comments on this measure.

The board member selection process set forth in the enabling legislation establishing government agencies provide clear eligibility requirements that ordinarily include subject matter proficiency and experience. This process has yielded governance boards whose members who are knowledgeable, insightful, and decisive in providing invaluable policy guidance to government agencies. Effective training requires significant staff support, resources, and time. While the Department recognizes and acknowledges the value and benefit that training provides, we believe it is inadvisable to impose such additional burdens at this time on government agencies that are undergoing severe operational and staffing reductions due to budget shortfalls caused



Page 2

by the COVID-19 pandemic. A collateral impact of the crippling budget losses and freezes is the anticipated elimination of important government services to our agricultural stakeholders with bare minimum resources and staff.

Thank you for the opportunity to testify on this measure.

SB-82-SD-2

Submitted on: 3/17/2021 8:26:09 AM

Testimony for GVR on 3/17/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Audrey Hidano	Department of Accounting and General Services	Comments	No

Comments:

I am available for comments.