

Honolulu, Hawaii
April 5, 2006

RE: H.C.R. No. 38

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Legislative Management, to which was referred H.C.R. No. 38 entitled:

"HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO AUDIT THE METHODS AND PROCEDURES EMPLOYED BY THE GOVERNOR IN SOLICITING PRIVATE SECTOR SPONSORSHIPS AND CONTRIBUTIONS, IN CASH OR IN-KIND, TO SUPPORT OR DEFRAY THE COSTS OF OFFICIAL GOVERNMENT FUNCTIONS, INCLUDING TRADE MISSIONS,"

begs leave to report as follows:

The purpose of this concurrent resolution is to ensure that the State Administration's method of soliciting private contributions and sponsorships of official government functions such as trade missions is consistent with procurement practices. This measure requests the Auditor to conduct an audit of the methods and procedures employed by the State Administration to solicit these funds, in cash or in-kind, and to report its findings to the Legislature.

The State Representative from the 39th Representative District (Wahiawa, Whitmore Village, Laulani Valley) testified in support of this concurrent resolution. The Department of Business, Economic Development, and Tourism (DBEDT) supported the intent of this measure. The Pacific and Asian Affairs Council offered comments.

Time did not permit your Committee to consider all of DBEDT's testimony regarding the accuracy of the monetary amounts contained in this measure as well as the offering of special benefits in

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exchange for large contributions. Hopefully, as this measure moves through the process, these issues can be clarified as appropriate.

Finally, your Committee encourages the Auditor to work with the Chief Procurement Officer on this audit, as necessary.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 38 and recommends that it be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Legislative
Management,


MICHAEL Y. MAGAOAY, Chair



