

STAND. COM. REP. NO.

1485

Honolulu, Hawaii

APR 27 2009

RE: H.C.R. No. 94
H.D. 1
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Education and Housing, to which was referred H.C.R. No. 94, H.D. 1, entitled:

"HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT A MANAGEMENT AND FINANCIAL AUDIT OF THE HAWAII PUBLIC HOUSING AUTHORITY'S MAINTENANCE CONTRACTS,"

begs leave to report as follows:

The purpose of this measure is to request the Auditor to:

- (1) Conduct a management and financial audit of the Hawaii Public Housing Authority's maintenance contracts and the management of those contracts and to investigate reports of disrepair, noncompliance with the Americans with Disabilities Act, and other concerns of residents, taking into account the newly implemented HUD Deficiency Report Checklist when reviewing the Hawaii Public Housing Authority;
- (2) Prioritize the audit efforts, focusing first on those contracts and facilities representing such characteristics as high contract dollar value, large volume of complaints, contract terms not strong enough to protect the State's interests, serious lack of internal controls, and any other screening approaches deemed appropriate by the Auditor; and



- (3) Report the findings and recommendations to the 2010 Legislature.

Testimony in support of this measure was submitted by one individual. One government agency testified in opposition. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee has deleted a substantive portion of this measure and replaced the deleted provisions with language from S.C.R. 31, S.D. 2, previously heard and approved by your Committee as S.C.R. No. 31, S.D. 1, and further amended by the Committee on Ways and Means as S.C.R. 31, S.D. 2.

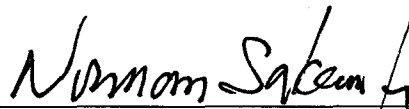
As amended, this measure:

- (1) Amends the title to read: REQUESTING THE AUDITOR TO CONDUCT A REVIEW OF THE PERFORMANCE OF THE MANAGEMENT OF THE PUUWAI MOMI AND WEST OAHU ASSET MANAGEMENT PROJECTS (KNOWN AS AMP 30 AND AMP 44) TO COMPARE THE PERFORMANCE OF STATE OPERATED AND PRIVATELY OPERATED PUBLIC HOUSING PROPERTIES; AND TO DETERMINE THE RELATIVE CONTRIBUTIONS OF FUNDING LEVELS, MISMANAGEMENT, AND TENANT AND VISITOR ACTIONS TO THE FAILURE TO MEET PERFORMANCE STANDARDS FOR THESE PROPERTIES;
- (2) Adds Whereas clause language referencing current management procedures, the results of year 2008 inspections by the Department of Housing and Urban Development, and the status of maintenance at Palolo Housing and Kuhio Park Terrace;
- (3) Amends the scope of the audit as reflected in the amended title of the measure;
- (4) Adds to the scope of the audit, a request to the Auditor to undertake a broader review of the process by which the Authority currently evaluates management and maintenance contracts; and
- (5) Adds a request that the Auditor remain cognizant of the status of the federal and state class action law suits filed in December 2008.



As affirmed by the record of votes of the members of your Committee on Education and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 94, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as H.C.R. No. 94, H.D. 1, S.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Education and
Housing,



NORMAN SAKAMOTO, Chair



