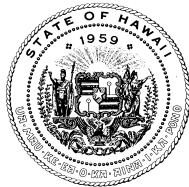


NEIL ABERCROMBIE
GOVERNOR

GLENN OKIMOTO
DIRECTOR



STATE OF HAWAII
COMMISSION ON TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

VACANT, CHAIR
VACANT, VICE-CHAIR
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SHAWN SMITH

IN REPLY REFER TO:

February 27, 2013

**TESTIMONY OF OWEN MIYAMOTO, COMMISSIONER OF TRANSPORTATION
ON SENATE BILL 795 PROPOSED SD1, RELATING TO STATE FINANCES**

Honorable David Y. Ige, Chair
Honorable Michelle N. Kidani, Vice Chair
Honorable Members of the Senate Committee on Ways and Means

I am testifying in SUPPORT for Senate Bill 795 Proposed SD1.

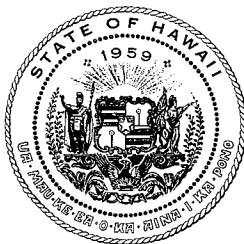
Senate Bill 795 would provide the investigative tools needed to examine the condition of state finances, including the special funds of the Department of Transportation.

I am one of eight remaining members of the Commission on Transportation, which is authorized a total of eleven members. The Commission serves in an advisory capacity to the Department of Transportation. Without the permission of the DOT to convene, the Commission has not been able to meet since April 2012 to fulfill its role to discuss legislation, such as SB 795, which would have an impact on the DOT. The Commission will be abolished if SB 1214 and HB 983 presently under consideration by this session of the Legislature is passed.

The Department of Transportation is in the process of implementing modernization of airport, harbor and highway facilities. In addition to "modernization" DOT must focus on repairing and maintaining existing facilities. Further, there does not appear to be a concern for the condition of the neighbor island transportation infrastructure, which is experiencing rapid growth resulting from tourists traveling directly to these locations.

The operation of DOT is a highly complex activity and needs constant attention to the management of its programs and the effective utilization of limited financial resources. Although DOT has been the subject of investigation by the Legislative Auditor and special committees of the Legislature, there is very little sign of follow-up and corrective action on the findings of these reviews. I believe Senate Bill 795 will bring urgently needed attention to the improvements needed at DOT.

I urge you to pass Senate Bill 795. Thank you for the opportunity to testify on this measure.



**TESTIMONY OF JAN K. YAMANE, ACTING STATE AUDITOR, ON SENATE BILL
NO. 795, PROPOSED SENATE DRAFT 1, RELATING TO STATE FINANCES**

Senate Committee on Ways and Means

February 28, 2013

Chair Ige and Members of the Committee:

I am Jan Yamane, Acting State Auditor. Thank you for this opportunity to testify in support of Senate Bill 795, proposed Senate Draft 1. This bill authorizes and funds an investigative unit in the Office of the Auditor to conduct investigations involving alleged or suspected government waste, fraud, abuse, nonfeasance, or malfeasance related to state finances.

The proposed bill recognizes that the legislative branch lacks a dedicated investigative entity that would be independent of the subjects of the investigations. Although the State Constitution and the statutes for my office authorize broad investigatory powers and while we have undertaken only limited investigations with existing audit staff, we have not staffed and fully developed an investigative function for lack of resources. We have tried to incorporate into our audit scopes any areas of concern that are brought to our attention, but many of the topics and tips deal with allegations against individuals, and those tend to fall outside audit scopes and techniques. To pursue those non-audit topics requires skills and techniques unique to investigations. In the past, we have contacted several state audit offices that have similar investigative units. The units tend to have emerged from, but complement, the auditing function.

I appreciate that this proposed Senate Draft 1 provides triggers to initiate an investigation that require direction by both houses of the Legislature. As drafted, this measure comports with Section 21E-4(1), Hawai'i Revised Statutes, a section that defines the powers and duties of the

joint legislative management committee and states that direction to the Auditor to conduct investigations shall be by both houses of the Legislature.

Finally, this proposed measure contemplates a five-person investigative unit and appropriates money for that purpose. As you are aware, I would not be able to staff such a unit unless this funding is provided.

Thank you for your continued support and interest in my office and for the opportunity to testify on this proposed Senate Draft 1. I respectfully request that you move it out of committee. I am available for your questions.

From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: captdave@boats4u.com
Subject: *Submitted testimony for SB795 on Feb 28, 2013 13:45PM*
Date: Tuesday, February 26, 2013 7:04:42 AM

SB795

Submitted on: 2/26/2013

Testimony for WAM on Feb 28, 2013 13:45PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Dave Cooper	Individual	Support	No

Comments:

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To: [WAM Testimony](#)
Cc: Glenn@hawaiiantel.net
Subject: Submitted testimony for SB795 on Feb 28, 2013 13:45PM
Date: Monday, February 25, 2013 4:08:24 PM

SB795

Submitted on: 2/25/2013

Testimony for WAM on Feb 28, 2013 13:45PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Glenn Shiroma	Individual	Support	No

Comments: Strong support for SB795 SD1. Department of Land & Natural Resources, Division of Boating & Ocean Recreation knowingly committing government waste, fraud, abuse, and malfeasance. (Emphasis Added)

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Cc: mendezj@hawaii.edu
Subject: *Submitted testimony for SB795 on Feb 28, 2013 13:45PM*
Date: Tuesday, February 26, 2013 9:36:42 AM

SB795

Submitted on: 2/26/2013

Testimony for WAM on Feb 28, 2013 13:45PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Support	No

Comments:

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Cc: leealdrige@msn.com
Subject: Submitted testimony for SB795 on Feb 28, 2013 13:45PM
Date: Monday, February 25, 2013 8:59:42 PM

SB795

Submitted on: 2/25/2013

Testimony for WAM on Feb 28, 2013 13:45PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Lee Aldridge	Individual	Support	No

Comments: I wish to thank the Ways and Means Committee the opportunity to submit testimony on SB795. I SUPPORT this bill. Any bill that proposes to develop truth in the accounting process for preparation and reporting of the State budget, and requires that the State government fulfill its responsibility to the public to transparently and timely report upon the actual financial status of the State deserves to be supported.

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Cc: MSMatson@hawaii.rr.com
Subject: Submitted testimony for SB795 on Feb 28, 2013 13:45PM
Date: Monday, February 25, 2013 3:08:47 PM

SB795

Submitted on: 2/25/2013

Testimony for WAM on Feb 28, 2013 13:45PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
MS Matson	Individual	Support	No

Comments: We strongly support SB 795 Proposed SD1.

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Cc: leealdrige@msn.com
Subject: Submitted testimony for SB795 on Feb 28, 2013 13:45PM
Date: Monday, February 25, 2013 7:49:29 PM

SB795

Submitted on: 2/25/2013

Testimony for WAM on Feb 28, 2013 13:45PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Rosemary Aldridge	Individual	Support	No

Comments: Strongly in favor of this bill as it would help reign in out of control spending. This measure would force more accountability by the Legislature.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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