
A BILL FOR AN ACT

RELATING TO THE HONOLULU AUTHORITY FOR RAPID TRANSPORTATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. (a) The auditor shall conduct a comprehensive
2 financial and management audit of the Honolulu authority for
3 rapid transportation that shall include an examination of:

4 (1) The management and operations of the Honolulu
5 authority for rapid transportation, including:

6 (A) The Honolulu authority for rapid transportation's
7 financial plan and related systems of accounting;

8 (B) The efficacy of the Honolulu authority for rapid
9 transportation's fiscal and management policies,
10 practices, and processes associated with the
11 plans, design, bidding, and construction of the
12 Honolulu rail transit project;

13 (C) All contracts awarded for, and expenditures
14 associated with, the Honolulu rail transit
15 project, including payments to contractors,
16 subcontractors, and consultants; and



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- 1 (D) Expenditures by the Honolulu authority for rapid
- 2 transportation for personnel costs, lease rent,
- 3 and any other costs associated with its
- 4 management and operations;
- 5 (2) Factors contributing to escalating costs associated
- 6 with the Honolulu rail transit project, including:
- 7 (A) Inflation;
- 8 (B) Costs associated with project delays, including
- 9 change orders, work restrictions, and bidding
- 10 procedures;
- 11 (C) Costs associated with legal challenges to the
- 12 Honolulu rail transit project, including costs of
- 13 change orders or delays resulting from each legal
- 14 challenge; and
- 15 (D) Cost containment measures and any other actions
- 16 taken by the Honolulu authority for rapid
- 17 transportation to mitigate increasing costs of
- 18 the Honolulu rail transit project; and
- 19 (3) The total amount of county surcharge revenues
- 20 collected pursuant to section 46-16.8, Hawaii Revised
- 21 Statutes; the amount of surcharge revenues paid to the



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1 director of finance of the city and county of
2 Honolulu; and the amount of the surcharge revenues
3 expended by the Honolulu authority for rapid
4 transportation.

5 (b) The audit shall be concluded no more than eighteen
6 months after it begins; provided that the auditor shall submit a
7 report of the auditor's findings and recommendations, including
8 any proposed legislation, to the legislature no later than
9 twenty days prior to the convening of the regular session of
10 2018. The recommendations shall address any deficiencies
11 identified as a result of the audit.

12 SECTION 2. There is appropriated out of the general
13 revenues of the State of Hawaii the sum of \$ or so much
14 thereof as may be necessary for fiscal year 2016-2017 to conduct
15 a comprehensive financial and management audit of the Honolulu
16 authority for rapid transportation pursuant to section 1 of this
17 Act.

18 The sum appropriated shall be expended by the auditor for
19 the purposes of this Act.

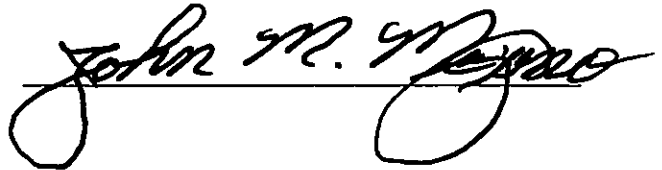


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1 SECTION 3. This Act shall take effect on July 1, 2016.

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INTRODUCED BY:

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JAN 21 2016



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Report Title:

Honolulu Authority for Rapid Transportation; Audit;
Appropriation

Description:

Requires the auditor to conduct a comprehensive financial and management audit of the Honolulu Authority for Rapid Transportation. Appropriates funds.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

