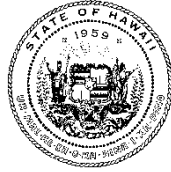


DAVID Y. IGE
GOVERNOR



DOUGLAS MURDOCK
Comptroller

AUDREY HIDANO
Deputy Comptroller

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
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WRITTEN TESTIMONY
OF
DOUGLAS MURDOCK, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
HOUSE COMMITTEE ON FINANCE
ON
FEBRUARY 23, 2016

H.B. 2094

RELATING TO STATE FINANCES

Chair Luke and members of the Committee, thank you for the opportunity to submit written testimony on H.B. 2094.

The Department of Accounting and General Services does not support H.B. 2094. The department's goal has always been to receive an unqualified opinion from independent auditors that are engaged annually to audit the State's basic financial statements. In order to receive an unqualified opinion, the State must adopt all applicable Statements issued by the GASB if the Statements have a material effect on the State's financial statements. Therefore, it is unnecessary to codify any GASB statement into state law.

In the event the legislature proceeds with the law, we recommend deleting the following language in Section 2. Paragraph (b) “, as necessary and at its own expense”. Gathering the

required information will require the participation of several state agencies and much of the collection of data will need to be done at the expense of those agencies.

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