

EXECUTIVE CHAMBERS HONOLULU

DAVID Y. IGE governor

GOV. MSG. NO. 1323

July 12, 2017

The Honorable Ronald D. Kouchi, President and Members of the Senate Twenty-Ninth State Legislature State Capitol, Room 409 Honolulu, Hawai'i 96813 The Honorable Scott K. Saiki, Speaker and Members of the House of Representatives Twenty-Ninth State Legislature State Capitol, Room 431 Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

Re: HB839 HD1 SD1 CD1

HB839 HD1 SD1 CD1, entitled "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF LAND AND NATURAL RESOURCES" will become law without my signature, pursuant to Section 16 of Article III of the State Constitution.

The purpose of this bill is to require the Auditor to conduct a performance audit of the Department of Land and Natural Resources' Special Land and Development Fund and the Land Conservation Fund.

The Department of Land and Natural Resources in unsure of the reasoning behind these audits as they are not mentioned in the bill. The Auditor already does rotating audits of all departments and this could be an ineffective use of taxpayer dollars.

For the foregoing reasons, HB839 HD1 SD1 CD1 will become law as Act 209, Session Laws of Hawaii 2017, effective July 12, 2017, without my signature.

Sincerely,

Aarid Nege

DAVID Y. IGE Governor, State of Hawaii

Per nitted to become law without the

ORIGINAL Governor's signature JUL 1 2 2017 HOUSE OF REPRESENTATIVES **TWENTY-NINTH LEGISLATURE, 2017** STATE OF HAWAII

A BILL FOR AN ACT

ACT 209 H.B. NO.

839 H.D. 1

S.D. 1

C.D. 1

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RELATING TO THE DEPARTMENT OF LAND AND NATURAL RESOURCES.

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

| 1 | SECTION 1. The auditor shall conduct a performance audit |
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| 2 | of: |
| 3 | (1) The department of land and natural resources' special |
| 4 | land and development fund; and |
| 5 | (2) The department of land and natural resources' land |
| 6 | conservation fund; |
| 7 | and provide recommendations, as appropriate. |
| 8 | SECTION 2. The audit shall review contracts, grants, and |
| 9 | memoranda of understanding entered into, awarded by, or |
| 10 | otherwise involving: |
| 11 | (1) The department of land and natural resources' special |
| 12 | land and development fund; and |
| 13 | (2) The department of land and natural resources' land |
| 14 | conservation fund; |
| 15 | between the period beginning July 1, 2015, through June 30, |
| 16 | 2017. The auditor shall examine whether the funds that were |
| 17 | expended by the department of land and natural resources were in |
| 18 | compliance with laws and in accordance with the terms of the |
| | HB839 CD1 HMS 2017-3715-1 |



1 contracts, grants, and memoranda of understanding and whether 2 contractors and awardees were adequately screened and qualified. 3 SECTION 3. The auditor shall submit a report on the audit, 4 including findings, recommendations, and proposed legislation, 5 if necessary, to the legislature no later than twenty days prior 6 to the convening of the regular session of 2019. 7 SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much 8 9 thereof as may be necessary for fiscal year 2017-2018 to conduct 10 the audit of the department of land and natural resources

11 pursuant to this Act.

12 The sums appropriated shall be expended by the auditor for13 the purposes of this Act.

14 SECTION 5. This Act shall take effect on July 1, 2017.

APPROVED this day of

, 2017

GOVERNOR OF THE STATE OF HAWAII

HB No. 839, HD 1, SD 1, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 2, 2017 Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Twenty-Ninth Legislature of the State of Hawaii, Regular Session of 2017.

South

Joseph M. Souki Speaker House of Representatives

Mi L. Thet

Brian L. Takeshita Chief Clerk House of Representatives

THE SENATE OF THE STATE OF HAWAII

Date: May 2, 2017 Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the

Senate of the Twenty-ninth Legislature of the State of Hawaii, Regular Session of 2017.

President of the Senate

Clerk of the Senate