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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY

**TESTIMONY BY WESLEY K. MACHIDA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE**

**TO THE HOUSE COMMITTEE ON
LEGISLATIVE MANAGEMENT**

ON HOUSE BILL NO. 379

February 8, 2017

2:00 p.m.

Conference Room 423

RELATING TO GOVERNMENT ACCOUNTABILITY

H.B. 379 requires a public hearing or informational briefing on certain audit reports and studies enacted with an appropriation within one year of the receipt of the report or study in order to properly review and consider the information provided therein.

We will not opine on the merits of this proposal. However, our department responds to myriad information requests from legislative committees during the legislative process, particularly as part of the development of the annual executive budget. Such information has historically been considered confidential working papers. We would seek an appropriate amendment within this bill that assures our responses to such information requests will not be considered reports within the scope of this proposal, as we believe that is not the intent of this measure.

Thank you for your consideration of our comments.



HOUSE COMMITTEE ON LEGISLATIVE MANAGEMENT
Rep. Bertrand Kobayashi, Chair
Rep. John M. Mizuno, Vice Chair

LATE

H.B. 379, Relating to Government Accountability

Hearing: Wednesday, February 8, 2017, 2:00 P.M.

The Office of the Auditor **supports** H.B. No. 379, Relating to Government Accountability, which requires, among other things, the relevant subject matter committee to convene a public hearing or informational briefing on studies and audits enacted with a legislative appropriation within one year of the legislature's receipt of the report.

Every year, we conduct performance and other types of audits of a number of state agencies and their respective programs. Those audits, generally, examine whether state officials are managing government resources and are using their authority in compliance with laws and regulations; whether government programs are achieving their objectives; and whether the agency or program is providing effective, efficient, economical, ethical, and equitable service. We report our findings in audit reports submitted to the legislature, the governor, and the affected state agency. The audit reports, which are public records, are also accessible through our website. Where we find issues with an agency's performance, we report those findings and make recommendations to address those issues. The audited agencies are afforded the opportunity to provide their written response to the audit's findings and recommendations, which is incorporated into and made part of the final report.

Our reports provide transparency and accountability to the legislature, the governor, and more importantly, the public. Requiring a public hearing or informational briefing on the audit reports will increase government transparency and accountability, which we strongly support. We also suggest that a public review of the reports will encourage agencies to more timely address the audit findings and recommendations.

Accordingly, we support H.B. No. 379.

Thank you for considering our testimony related to H.B. No. 379.



House Legislative Management Committee
Chair Bertrand Kobayashi, Vice Chair John Mizuno

02/08/2017 at 2:00 PM in Room 423
HB379 – Relating to Government Accountability

TESTIMONY — SUPPORT
Corie Tanida, Executive Director, Common Cause Hawaii

Dear Chair Kobayashi, Vice Chair Mizuno, and members of the House Legislative Management Committee:

Common Cause Hawaii supports HB79 which would require reports or audits enacted with a legislative appropriation to be submitted to various persons at the legislature and would require a public hearing or informational briefing within one year of the receipt of the report or audit.

While these reports often contain vital information, it is difficult to gain access to these documents. Requiring a wider distribution of these reports and a public hearing or informational briefing, will help to increase accountability and the public's access to information.

Thank you for the opportunity to offer testimony **supporting HB379**.