
HOUSE CONCURRENT RESOLUTION

REQUESTING A MANAGEMENT AUDIT OF THE SPECIAL LAND AND
DEVELOPMENT FUND AND THE OPERATING BUDGET OF THE LAND
DIVISION OF THE DEPARTMENT OF LAND AND NATURAL RESOURCES.

1 WHEREAS, the special land and development fund administered
2 by the Department of Land and Natural Resources was originally
3 established as a special fund into which was deposited all
4 proceeds of the sale of public lands and all rents from leases,
5 licenses, and permits derived from public lands and whose uses
6 related to the management of public lands; and
7

8 WHEREAS, over the years, both the authorized uses and
9 revenue sources of the special fund have been amended such that
10 it is now difficult to determine, pursuant to section 37-52.3,
11 Hawaii Revised Statutes, the need that the special fund now
12 serves; the nexus, if any, between the benefits sought and
13 charges made upon the program users or beneficiaries; or whether
14 the special fund now serves as an automatic means of program
15 support that is removed from the normal budget and appropriation
16 process; and
17

18 WHEREAS, on the other hand, in 2000, the Department of Land
19 and Natural Resources proposed to change the means of financing
20 the operating budget of the Land Division from general funds to
21 special funds to generate general fund savings and improve the
22 fiscal management of the programs and funding mechanisms of the
23 department; and
24

25 WHEREAS, questions arise as to whether financing the Land
26 Division through special funds has effectively shielded the
27 division from the normal budget and appropriation process; now,
28 therefore,
29



H.C.R. NO. 84

1 BE IT RESOLVED by the House of Representatives of the
 2 Twenty-ninth Legislature of the State of Hawaii, Regular Session
 3 of 2018, the Senate concurring, that the Auditor is requested to
 4 conduct a management audit of:

- 5
- 6 (1) The special land and development fund administered by
 7 the Department of Land and Natural Resources using the
 8 criteria set forth under section 37-52.3, Hawaii
 9 Revised Statutes; provided that the audit also covers
 10 the income and expenditures of the fund for the five-
 11 year fiscal period from 2014 to 2018; and
- 12
- 13 (2) The operating budget of the Land Division of the
 14 Department of Land and Natural Resources to determine
 15 whether efficiencies and savings have been realized by
 16 the change in the means of financing the division's
 17 operating budget from general funds to special funds;
 18 and
- 19

20 BE IT FURTHER RESOLVED that the Auditor is requested to
 21 submit a report of findings and recommendations, including any
 22 proposed legislation, to the Legislature not later than twenty
 23 days prior to the convening of the Regular Session of 2019; and

24

25 BE IT FURTHER RESOLVED that certified copies of this
 26 Concurrent Resolution be transmitted to the Chair of the Board
 27 of Land and Natural Resources and the Auditor.

28

29

30

OFFERED BY:

Dean

Lyn Deloria

Mike Apule

Chell

Richard S.

Ch

Hylashina

J.K. Am

Cindy Evans

Ryan

