

SENATE COMMITTEE ON GOVERNMENT OPERATIONS
The Honorable Donna Mercado Kim, Chair
The Honorable Russell E. Ruderman, Vice Chair

S.B. NO. 2603, RELATING TO GOVERNMENT ACCOUNTABILITY

Hearing: Thursday, February 8, 2018, 3:15 p.m.

The Office of the Auditor **supports the intent** of S.B. No. 2603, which requires a public hearing or information briefing on certain audit reports and studies enacted with an appropriation within one year of the receipt of the report or study. We also **offer the following comments**.

We agree that discussion and analysis of report findings and recommendations would better serve the public interest. Further discussion and review of these reports/studies would provide greater transparency, facilitate discussion with relevant committees and the public (especially where a report/study generates further questions), and allow agencies the opportunity to share their perspective on the findings and recommendations.

Our Office will defer to the Legislature to determine when and/or how those discussions are best effectuated. As always, we will continue to provide our reports to all members of the Legislature and remain willing to brief the Legislature on any report issued by our Office.

Thank you for considering the Office of the Auditor's testimony related to S.B. No. 2603.



Senate Committee on Government Operations
Chair Donna Mercado Kim, Vice Chair Russell Ruderman

02/08/2018 3:15 PM Room 224
SB2603 – Relating to Government Accountability

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

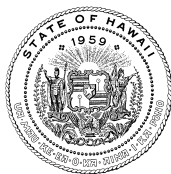
Dear Chair Kim, Vice Chair Ruderman, and members of the committee:

Common Cause Hawaii supports SB2603 which would require any report of a study or an audit enacted with a legislative appropriation and conducted by an executive department or agency 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 SB2603**.

DAVID Y. IGE
GOVERNOR



LAUREL A. JOHNSTON
DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

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FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY LAUREL A. JOHNSTON
ACTING DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS
ON
SENATE BILL NO. 2603

February 8, 2018
3:15 p.m.
Room 224

RELATING TO GOVERNMENT ACCOUNTABILITY

Senate Bill No. 2603 requires any report of a study or an audit enacted with a legislative appropriation and conducted by an executive department or agency, including the Hawaii Health Systems Corporation, and by the Legislative Reference Bureau (LRB), Auditor, Judiciary, or Office of Hawaiian Affairs, be submitted to the President of the Senate, Speaker of the House, Chairs of the appropriate subject matter committee of each Chamber, and LRB Library. The bill also requires the Chairs of the appropriate subject matter committees of each Chamber to hold a public hearing or informational briefing on the report within one year of receipt of the report. The bill allows a one-year extension or waiver of the public hearing or informational briefing requirement to be granted subject to posting the reasons for the extension or waiver on the Legislature's website and on the public notice boards at the Capitol.

The Department of Budget and Finance offers the following comments. The various Executive departments presently submit to the legislative leadership, reports that are required via Hawaii Revised Statutes, Session Laws, Concurrent Resolutions,

and/or budget provisos. A list of these reports can be found on the Legislative Reference Bureau Library website as the official repository of such reports, pursuant to Section 23G-5, Hawaii Revised Statutes.

While we appreciate the Legislature's desire for follow-up briefings on studies or audits prepared during a legislative interim, given Executive departments are presently required to testify at budget briefings, informational meetings, and committee hearings on bills throughout the short sixty-day legislative session, we will face more scheduling conflicts in identifying appropriate agency representatives to attend additional hearings. As an alternative, we advise that each legislative committee set-aside one hearing at the beginning of each legislative session, for the sole purpose of reviewing the various reports that were submitted by Executive departments within their committee purview. This would allow departments to plan their response and the committees would have information at the beginning of each session should legislation be necessary to address some of the findings in the reports or audits.

Thank you for your consideration of our comments.