STAND. COM. REP. NO.

2991

Honolulu, Hawaii

MAR 1 9 2008

RE:

H.B. No. 2163

H.D. 2

S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2008 State of Hawaii

Madam:

Your Committee on Education, to which was referred H.B. No. 2163, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO COMPTROLLER SUPERVISION OF ACCOUNTS,"

begs leave to report as follows:

The purpose of this measure is to require the University of Hawaii to preaudit only proposed payments of \$10,000 or more.

Testimony in support of the measure was submitted by the University of Hawai'i System.

Your Committee finds that the University of Hawaii is currently required to preaudit all proposed payments to determine the propriety of expenditures and compliance with applicable laws, executive orders, and rules as may be in effect. Contrarily, the Department of Accounting and General Services is not so required, but must only preaudit payments of \$10,000 or more. This measure limits the University of Hawaii's duty to preaudit payments to those totaling \$10,000 or more. Your Committee believes that the time and resources necessary for the University of Hawaii to fulfill its current duty is unduly taxing on the system and that this change will allow the University to more efficiently and effectively utilize its resources to focus on preaudits that may require increased examination.

Your Committee has amended this measure by including language to preserve changes made by this measure to section 40-1(b), Hawaii Revised Statutes, when that section is repealed and reenacted pursuant to Act 306, Session Laws of Hawaii 2006.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2163, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2163, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Education,

NORMAN SAKAMOTO, Chai

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Education EDU

Bill / Resolution No.:*	Committee Referral: Date:			
HB2143, HD2	EDU/WAY	1	3/14/	08
The committee is reconsidering its previous decision on this measure.				
If so, then the previous decision was to:				
The Recommendation is:				
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313				
Members	Aye	Aye (WR)	Nay	Excused
SAKAMOTO, Norman (C)	X			
TOKUDA, JIII N. (VC)	\			
CHUN OAKLAND, Suzanne	1 4			
GABBARD, Mike	1 1			
HEE, Clayton				X
NISHIHARA, Clarence K.				
TANIGUCHI, Brian T.				X
SLOM, Sam	<u> </u>			
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TOTAL	4	Ø	Ø	2
Recommendation: Adopted Not Adopted				
Chair's or Designee's Signature:				
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Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes