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HOUSE COMMITTEE ON TRANSPORTATION The Honorable Henry J.C. Aquino, Chair The Honorable Greggor Ilagan, Vice Chair

H.C.R. NO. 42 REQUESTING THE AUDITOR TO CONDUCT AN AUDIT OF HARBOR INSPECTION PROCEDURES OF STATE DEPARTMENTS AND FEDERAL AGENCIES FOR SHIPPING CONTAINERS TO PREVENT THE IMPORTATION OF ILLEGAL FIREWORKS INTO THE STATE

H.R. NO. 37 REQUESTING THE AUDITOR TO CONDUCT AN AUDIT OF HARBOR INSPECTION PROCEDURES OF STATE DEPARTMENTS AND FEDERAL AGENCIES FOR SHIPPING CONTAINERS TO PREVENT THE IMPORTATION OF ILLEGAL FIREWORKS INTO THE STATE

Hearing: Wednesday, March 23, 2022, 11:05 a.m.

The Office of the Auditor appreciates the opportunity to testify on H.C.R. No. 42 and H.R. No. 37, requesting the auditor to conduct an audit of harbor inspection procedures of state departments and federal agencies for shipping containers to prevent the importation of illegal fireworks into the State, and offers the following comments.

We have concerns about the resolutions' requirement that we conduct an audit of the harbor inspection procedures of <u>federal agencies</u>. Our office is authorized to conduct post-audits of the transactions, accounts, programs and performance of all departments, offices and agencies of the State. Haw. Const. art. VII, sec. 10. Similarly, we have the statutory authority to inspect all accounts, books, records, files, papers, documents, and all financial affairs of every department, office, agency, and political subdivision of the State. Section 23-5, HRS.

However, we do not have the same constitutional or statutory authority as it relates to federal agencies or programs. Without this authority, we cannot conduct a performance audit in a manner consistent with generally accepted government auditing standards. In other words, our office would be unable to determine the scope of the audit, gather evidence, or compel the production of documents or witnesses without the consent of the federal agency.

For these reasons, we suggest that the Legislature consider removing the requirement that our office audit the harbor inspection procedures of federal agencies.

Thank you for considering our testimony related to H.C.R. No. 42 and H.R. No. 37.

HR-37 Submitted on: 3/21/2022 10:52:40 AM Testimony for TRN on 3/23/2022 11:05:00 AM

Submitted By	Organization	Testifier Position	Testify
Mike Moran	Kihei Community Association (KCA)	Support	Written Testimony Only

Comments:

Aloha Rep. Henry J.C. Aquino, Chair ;Rep. Greggor Ilagan, Vice Chair and committee. The Kihei Community Association in South Maui is in full support of this measure. We receive numerous complaints from our residents annually between Halloween and MLK Day with increasing frequency each year. We are aware of the challenge of inspections of countless number of shipping containers at our harbor, but as these offensive items contain explosives, if we are unable to detect them, the same would apply to dangerous explosives for use by terrorists. We need to find a way to do so, & this action would be a psitive step of this overwhelming problem. Mahalo

Mike Moran for KCA

<u>HR-37</u> Submitted on: 3/21/2022 2:36:46 PM Testimony for TRN on 3/23/2022 11:05:00 AM

Submitted By	Organization	Testifier Position	Testify
Gerard Silva	Individual	Oppose	Written Testimony Only

Comments:

What the people want is that they should be inpecting Closely for Chid Trafficing. FIRE works is not as big of a problem as Child Trafficing. Do the right thing the people are watching!!