

STAND. COM. REP. NO.

1097

Honolulu, Hawaii

APR 02 2009

RE: S.C.R. No. 31
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Education and Housing, to which was referred S.C.R. No. 31 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT A MANAGEMENT AND FINANCIAL AUDIT OF THE HAWAII PUBLIC HOUSING AUTHORITY'S MAINTENANCE CONTRACTS,"

begs leave to report as follows:

The purpose of this measure is to request the Auditor to conduct a management and financial audit of the Hawaii Public Housing Authority's maintenance contracts and to investigate reports of disrepair, noncompliance with the Americans with Disabilities Act, and other concerns of residents; and report the findings and recommendations to the 2010 Legislature.

Testimony in support of this measure was submitted by two private organizations. One state agency submitted testimony in opposition. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that while the Hawaii Public Housing Authority has made improvements to its management in recent years, considerably more work remains to correct past deficiencies. Your Committee has heard from the Authority that the year 2008 inspections by the Department of Housing and Urban Development revealed that four asset management projects failed to meet federal requirements for physical condition of the projects, including two managed by private contractors and two managed by Hawaii Public Housing Authority staff, and that it may be more



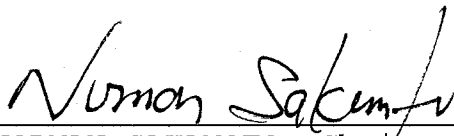
prudent to focus the audit on specific projects that require the most immediate attention.

Your Committee has amended this measure by:

- (1) Amending the title to read: REQUESTING THE AUDITOR TO CONDUCT A REVIEW OF THE PERFORMANCE OF THE MANAGEMENT OF THE PUUWAI MOMI AND WEST OAHU ASSET MANAGEMENT PROJECTS (KNOWN AS AMP 30 AND AMP 44) TO COMPARE THE PERFORMANCE OF STATE OPERATED AND PRIVATELY OPERATED PUBLIC HOUSING PROPERTIES; AND TO DETERMINE THE RELATIVE CONTRIBUTIONS OF FUNDING LEVELS, MISMANAGEMENT, AND TENANT AND VISITOR ACTIONS TO THE FAILURE TO MEET STANDARDS;
- (2) Adding Whereas clause language referencing current management procedures, the results of year 2008 inspections by the Department of Housing and Urban Development, and the status of maintenance at Palolo Housing and Kuhio Park Terrace;
- (3) Amending the scope of the audit as reflected in the title of the measure; and
- (4) Adding to the scope of the audit, a request to the Auditor to undertake a broader review of the process by which the Authority currently evaluates management and maintenance contracts.

As affirmed by the record of votes of the members of your Committee on Education and Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 31, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 31, S.D. 1.

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


NORMAN SAKAMOTO, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Education and Housing
EDH

Bill / Resolution No.:* SCR 31	Committee Referral: EDH, WAM	Date: 3-23-09		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
SAKAMOTO, Norman (C)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
GALUTERIA, Brickwood	✓			
TSUTSUI, Shan S.				✓
HEMMINGS, Fred	✓			
TOTAL	5			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align: center; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes