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# HOUSE CONCURRENT RESOLUTION

REQUESTING AN AUDIT OF VARIOUS FUNDS AND PROGRAMS 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 were 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  
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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  
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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  
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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; and  
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29           WHEREAS, part of the mission of the Department of Land and  
30 Natural Resources Division of Forestry and Wildlife is to  
31 enhance, protect, conserve, and manage Hawaii's unique and



1 limited natural, cultural, and historic resources and is  
2 carrying out that mission through forest carbon projects; and  
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4 WHEREAS, an audit of the forest carbon projects can serve  
5 to provide proper oversight and management efficiency; now,  
6 therefore,  
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8 BE IT RESOLVED by the House of Representatives of the  
9 Twenty-ninth Legislature of the State of Hawaii, Regular Session  
10 of 2018, the Senate concurring, that the Auditor is requested to  
11 conduct a management audit of:  
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- 13 (1) The special land and development fund administered by  
14 the Department of Land and Natural Resources using the  
15 criteria set forth under section 37-52.3, Hawaii  
16 Revised Statutes; provided that the audit also covers  
17 the income and expenditures of the fund for the five-  
18 year fiscal period from 2014 to 2018; and  
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- 20 (2) The operating budget of the Land Division of the  
21 Department of Land and Natural Resources to determine  
22 whether efficiencies and savings have been realized by  
23 the change in the means of financing the Division's  
24 operating budget from general funds to special funds;  
25 and  
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27 BE IT FURTHER RESOLVED that the Auditor is further  
28 requested to conduct an audit of the forest carbon projects  
29 administered by the Department of Land and Natural Resources;  
30 and  
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32 BE IT FURTHER RESOLVED that the Auditor is requested to  
33 submit a report of findings and recommendations, including any  
34 proposed legislation, to the Legislature not later than twenty  
35 days prior to the convening of the Regular Session of 2019; and  
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37 BE IT FURTHER RESOLVED that certified copies of this  
38 Concurrent Resolution be transmitted to the Chair of the Board  
39 of Land and Natural Resources and the Auditor.

