



**TESTIMONY OF THE STATE ATTORNEY GENERAL
TWENTY-FIFTH LEGISLATURE, 2009**

ON THE FOLLOWING MEASURE:

H.B. NO. 1200, RELATING TO AN AUDIT OF THE HAWAII STATE COALITION AGAINST DOMESTIC VIOLENCE.

BEFORE THE:

HOUSE COMMITTEE ON HUMAN SERVICES

DATE: Thursday, February 5, 2009 **TIME:** 8:15 AM

LOCATION: State Capitol, Room 329

TESTIFIER(S): Mark J. Bennett, Attorney General
or Susan R. Kern, Deputy Attorney General

Chair Mizuno and Members of the Committee:

The Department of the Attorney General provides these comments regarding a legal problem with this bill.

This bill would direct the Auditor to perform a financial and management audit of the Hawaii State Coalition Against Domestic Violence (HSCADV), a private, nonprofit organization.

Section 23-4(a), Hawaii Revised Statutes (HRS), authorizes the Auditor to conduct postaudits of the transactions, accounts, programs and performance of all departments, offices, and agencies of the State. The term "departments, offices, and agencies" is defined to include:

All executive departments, boards, commissions, bureaus, offices, agencies, and all independent commissions and other establishments of the state government (excepting the legislature) and all quasi-public institutions and all courts which are supported in whole or in part by, or which handle state or public funds[.]

HRS § 23-1.

The HSCADV is a private, not-for-profit organization, which is a purely private entity and therefore not a quasi-public institution. Thus the auditor does not have authority to audit HSCADV.

However, the Auditor has some existing oversight authority for state funds that have gone to HSCADV. In the case of grants and subsidies, state law requires that state funds be awarded only to individuals who and organizations that allow the state agency and the Auditor full access to their records. HRS § 42F-103(a)(4). If HSCADV has received grants or subsidies under chapter 42F, the Auditor may audit those funds.

We suggest the following amendments to clarify the scope of the Auditor's work:

At page 1, line 15, revise the line to read "a financial and management audit of state funds provided by state departments, offices, and agencies to HSCADV."

At page 2, lines 1-3, revise the paragraph to read: "SECTION 2. (a) The auditor shall conduct a financial and management audit of state funds provided by state departments, offices, and agencies to the Hawaii State Coalition Against Domestic Violence."

[REDACTED]

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 03, 2009 5:18 PM
To: HUS testimony
Cc: [REDACTED]@gmail.com
Subject: Testimony for HB1200 on 2/5/2009 8:15:00 AM

Testimony for HUS 2/5/2009 8:15:00 AM HB1200

Conference room: 329
Testifier position: support
Testifier will be present: No
Submitted by: Arvid T. Youngquist
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Submitted on: 2/3/2009

Comments:
Chair John Mizuno
Vice Chair Tom Brower
Right Honorable
Members of the House HUS Committee

This is a testimony in support of HB 1200 Relating to an Audit of the Hawaii State Coalition Against Domestic Violence (BR), submitted by Speaker Calvin Say.

However, I ask that the Agencies which have ceased to receive funding since 2008 or before be excluded from the Audit. In order to expedite the Report from the Auditor, and reduce the scope of Agencies involved, the target funding should also be reduced for HB 1200.

Agencies that are not receiving current State funding are busy enough identifying funding resources for survival of its programs, so an additional performance audit requirement by the State will be counter-productive, and a disservice to the client base.

Thank you for this opportunity to provide testimony in support for HB 1200 with comments.

("1 or 16,588 local voices")