

Honolulu, Hawaii

FEB 13 2019

RE: S.B. No. 492
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Human Services, to which was referred S.B. No. 492 entitled:

"A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF HUMAN SERVICES,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require the Office of the Auditor to conduct a performance, financial, and procurement audit of the Department of Human Services Disability Determination Branch; and
- (2) Appropriate funds for the audit.

Your Committee received comments on this measure from the Department of Human Services and Office of the Auditor.

Your Committee finds that the Disability Determination Branch (DDB) is responsible for making timely, accurate, and cost effective disability determinations in accordance with Social Security Administration rules and regulations. Your Committee finds that periodic audits of the DDB are in the public interest. Your Committee anticipates that the information and recommendations gained from the audit will help the legislature




address any concerns raised about the DDB's management and operations.

Your Committee has amended this measure by:

- (1) Clarifying that the Office of the Auditor shall conduct a performance audit of the DDB, rather than a performance, financial, and management audit;
- (2) Removing language that would have required the audit to include an examination of funds expended by the DDB and whether those expenditures were in compliance with laws;
- (3) Specifying that the audit shall include an analysis of the rate of denials for initial applications and the rates of denials and approvals for those appealed applications; and
- (4) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 492, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 492, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Human Services,



RUSSELL E. RUDERMAN, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Human Services
HMS

Bill / Resolution No.:* SB 492	Committee Referral: HMS, WAM	Date: 2/6/19		
<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
RUDERMAN, Russell E. (C)	✓			
RHOADS, Karl (VC)	✓			
IHARA, Jr., Les	✓			
RIVIERE, Gil	✓			
FEVELLA, Kurt				✓
TOTAL	4	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Karl Rhoads</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes