

ACT 98

H.B. NO. 543

A Bill for an Act Relating to Homeless Programs.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to eliminate the requirement that the housing and community development corporation of Hawaii conduct an independent compliance audit of homeless program service providers who have contracts with the State and, instead, to require that these providers submit annual financial audits and reports that account for funds received under state homeless programs contracts.

SECTION 2. Section 201G-461, Hawaii Revised Statutes, is amended to read as follows:

“~~[§201G-461]~~ Annual **[program] performance audits.** (a) The corporation shall ~~[ensure that a compliance audit by an independent auditing agency is carried out expeditiously at least once each fiscal biennium period for]~~ require any provider agency ~~[which]~~ that dispensed shelter or assistance for any homeless facility or any other program for the homeless authorized by this part~~[-]~~ to submit to the corporation a financial audit and report on an annual basis conducted by a”

certified public accounting firm. This audit and report shall contain information specific to the funds received under state homeless programs contracts. The audit shall include recommendations to address any problems found.

~~[(b) Copies of each audit shall be submitted to the corporation, the director of finance, the president of the senate, and the speaker of the house of representatives.~~

(e) (b) Continuing contracts with provider agencies to participate in any program for the homeless authorized by this part shall ~~[contain a requirement]~~ require that the provider agency ~~[shall]~~ address the recommendations made by the auditing agency, subject to exceptions as set by the corporation.

~~[(d)]~~ (c) Failure to carry out the recommendations made by the auditing agency may be grounds for the corporation to bar a provider agency from further contracts for programs authorized by this part until the barred provider has addressed all deficiencies.’’

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved May 18, 2001.)