

STAND. COM. REP. NO.

130

Honolulu, Hawaii

FEB 09 2007

RE: S.B. No. 1182
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Human Services and Public Housing, to which was referred S.B. No. 1182 entitled:

"A BILL FOR AN ACT RELATING TO NEEDS ALLOWANCE,"

begs leave to report as follows:

The purpose of this measure is to establish a needs allowance for residents of care homes and long-term care facilities.

The Department of Human Services submitted testimony in support of the intent of this measure. The State Long Term Care Ombudsman, the Mayor of Hawaii County, the National Association of Social Workers, the Hawaii Disability Rights Center, the Healthcare Association of Hawaii, the National Alliance on Mental Illness Oahu, Opportunities for the Retarded Inc., and over thirteen hundred individuals submitted testimony in support of this measure. The Hawaii Coalition of Care Home Administrators submitted testimony in opposition. The Department of Taxation submitted comments.

Your Committee received a fiscal impact statement from the Department of Taxation that this measure, if passed, would result in a revenue loss to the State of approximately \$512,000 for fiscal year 2008. However, the fiscal impact statement submitted did not specify the methodology by which the fiscal impact was calculated.

Your Committee finds that a personal needs allowance is intended to pay for the clothing, toiletries, bus fare, personal

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postage, snacks, and other incidental expenses of day-to-day living of Social Security recipients in certain institutional care settings. The federal government raised the minimum personal needs allowance to \$30 back in 1988. Since that time, most states have raised the minimum allowance beyond \$30 to reflect rising costs. However, a few states, including Hawaii, still remain at the \$30 minimum set nearly twenty years ago.

As the multitude of testifiers indicated, the current personal needs allowance is insufficient to provide for their daily needs and does not afford them any discretion to make purchases that would enhance their quality of life, such as recreational activities or meals out. Testifiers noted the difficulty in affording co-payments and unreimbursed medical and dental expenses, such as dentures and hearing aid batteries, all of which have become more costly over the years.

It is the Committee's intent to raise the personal needs allowance. Further, your Committee notes that it is intended that the funds to increase the personal needs allowance be expended by the Department of Human Services directly to the individuals and not to the facility operators.

Your Committee has amended this measure by making technical, nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services and Public Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1182, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1182, S.D. 1, and be referred to the Committee on Economic Development and Taxation.


Respectfully submitted on
behalf of the members of the
Committee on Human Services and
Public Housing,


SUZANNE CHUN OAKLAND, Chair



The Senate
Twenty-Fourth Legislature
State of Hawaii

Record of Votes
Committee on Human Services and Public Housing
HSP

Bill / Resolution No.:* SB 1182	Committee Referral: HSP, EDT, WAM	Date: 2-6-07		
<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
CHUN OAKLAND, Suzanne (C)	✓			
IHARA, Jr., Les (VC)	✓			
SAKAMOTO, Norman				✓
HEMMINGS, Fred	✓			
TOTAL	3	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency				

*Only one measure per Record of Votes