

NEIL ABERCROMBIE  
GOVERNOR



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**LATE  
Testimony**

February 3, 2011

TO: The Honorable John M. Mizuno, Chair  
House Committee on Human Services

FROM: Patricia McManaman, Interim Director

SUBJECT: **H.B. 724 - RELATING TO FOSTER CARE SERVICES**

Hearing: Thursday, February 3, 2011; 9:00 a.m.  
Conference Room 329, State Capitol

**PURPOSE:** The purpose of H.B. 724 is to require the Department of Human Services to amend its rules to increase the monthly foster care maintenance payment from \$529 per month to an unspecified amount per month.

**DEPARTMENT'S POSITION:** The Department of Human Services appreciates the intent of this measure; however, given the State's current fiscal situation, we must respectfully oppose this bill because it would require an additional appropriation of State general funds.

DHS estimates that if the foster board rate were to be raised by \$50 per month, an additional \$3.7 million per year in State general funds that would need to be appropriated.

Passage of this bill without an appropriation would require the Department to divert existing funds from other critical programs, such as the differential response programs which would essential shred the safety net for our families and children.

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The foster board rate is the benchmark for adoption assistance, permanency assistance and higher education board allowance payments: an increase in the basic foster board rate would also require an increase in the benefit amounts for each of these programs.

Chapter 17-1617, Hawaii Administrative Rules, provides the flexibility for a rate increase without legislation by establishing \$529 as the minimum monthly payment [§17-1617-13 (e)(1)] and requiring a review of the continuing appropriateness at least every five years [§17-12615-22].

The Department respectfully requests the deletion of references to “facilities that provide contracted emergency shelter or group homes services [lines 5 through 8] as these entities are paid in accordance with the terms of their contracts and do not receive the basic board rate.

Thank you for the opportunity to testify on this bill.