

NEIL ABERCROMBIE
GOVERNOR



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January 31, 2011

MEMORANDUM

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

FROM: Patricia McManaman, Interim Director

SUBJECT: **H.B. 1066 – MAKING EMERGENCY APPROPRIATIONS FOR THE
DEPARTMENT OF HUMAN SERVICES**

Hearing: Monday, January 31, 2011; 9:00 a.m.
Conference Room 329, State Capitol

PURPOSE: The purpose of H.B. 1066 is to make emergency appropriations from the general revenues of the State of Hawaii for fiscal year 2010-2011 to address the budget shortfall in cash support (HMS 211) and work program services and maintenance of effort contracts (HMS 903) in the Department of Human Services.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) strongly supports this Administration bill.

The programs that provide financial assistance for eligible adults with dependent children, the federally funded temporary assistance for needy families and the state-funded temporary assistance for other needy families programs, will expend all appropriated funds, federal and state, by the third quarter of the current fiscal year.

The expeditious approval of this emergency appropriation is critical for the Department of Human Services to continue to provide cash assistance used for food, clothing, shelter and other essentials to approximately 9,849 families with children. Without an emergency appropriation of \$11,523,511 in general funds in HMS 211 for fiscal year 2010-2011, cash assistance will be discontinued.

An emergency appropriation of \$47,322,170 in general funds is also urgently needed in HMS 903 to maintain the contracts for work program services for financial assistance clients who are required by federal law to participate in work activities to receive assistance and to maintain the purchase of service contracts that help the State in meeting the maintenance of efforts requirements. Funding of these contracts is necessary to prevent the loss of federal funding for the Temporary Assistance for Needy Families program.

Thank you for the opportunity to provide comments on this bill.