



STATE OF HAWAII  
DEPARTMENT OF HUMAN SERVICES  
P. O. Box 339  
Honolulu, Hawaii 96809-0339

February 29, 2012

**MEMORANDUM**

TO: The Honorable David Y. Ige, Chair  
Senate Committee on Ways and Means

FROM: Patricia McManaman, Director

SUBJECT: **S.B. 2936, S.D. 1 - RELATING TO PUBLIC ASSISTANCE  
PROGRAMS**

Hearing: Wednesday, February 29, 2012, 9:15 p.m.  
Room 211, State Capitol

**PURPOSE:** The purpose of this bill is to allow the Department of Human Services (DHS) to draw from other funds appropriated to DHS in the event the General Assistance (HMS 204) appropriation is insufficient to meet General Assistance benefits payments.

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

The general assistance program (HMS 204), pursuant to section 346-53(b), Hawaii Revised Statutes, is a block grant program that provides a monthly benefit to disabled individuals. The maximum allowance a general assistance recipient may receive is determined by dividing the amount of the appropriation by the number of general assistance recipients. The DHS must adjust GA payments to remain within the GA appropriation when the caseload increases or decreases.

For fiscal year 2012, the payment level began at \$353, but due to caseload increases the benefit payment amount was reduced to \$319 in October 2011. To remain within the authorized appropriation the monthly benefit payment must be either reduced further to \$275 in April 2012 until the end of the fiscal year or the \$319 monthly benefit can be maintained until May 2012 and the benefit reduced to \$188 for June 2012. In prior years, payment had been reduced to as low as \$234 as caseloads increased. These reductions and fluctuations provide no stability to households who already live below poverty levels. Stopping the benefit payment or reducing the amount of the benefit payment for these individuals poses a real threat to the individuals' health and safety. It is also almost certain to trigger increased homelessness. Please note that the average stay of recipient on GA is six (6) months.

The DHS has requested an emergency appropriation for the current fiscal year to maintain the benefit amount at \$319 per month. To reduce the future need to request emergency appropriations for the GA program, the Department proposes to utilize, when needed, savings from its other programs. This bill would allow the DHS to use savings in other programs of the Department to fund the shortfalls in the GA program due to caseload fluctuations.

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



CATHOLIC CHARITIES HAWAII

**COMMENTS IN SUPPORT OF SB 2936 SD1: RELATING TO PUBLIC ASSISTANCE PROGRAMS**

TO: Senator David Ige, Chair, Senator Michelle Kidani, Vice Chair, and Members, Committee on Ways and Means

FROM: Betty Lou Larson, Legislative Liaison, Catholic Charities Hawaii

**Hearing: Wednesday, 2/29/12, 9:15 am; CR 211**

Chair Ige, Chair Kidani, and Members, Committees on Ways & Means:

Thank you for the opportunity to provide comments on SB 2936, which would allow the Department of Human Services to draw from other funds appropriated to the department to address the shortfall in the budget for the general assistance program. I am Betty Lou Larson, Legislative Liaison for housing and homelessness issues at Catholic Charities Hawaii. Catholic Charities Hawaii supports this bill.

Catholic Charities Hawaii is very concerned about the possibility that many persons now on General Assistance will be forced into homelessness if their General Assistance payments are further reduced. This bill would give the department the flexibility to use savings from other programs as a stopgap measure to continue benefits. SB 2936 is important since the department cannot control the number of new applicants who may need General Assistance. Already, a flood of new recipients has created this dilemma of the budget shortfall.

The benefit currently is hardly enough to pay rent even at subsidized housing or special housing such as clean and sober homes. The benefit has already been reduced in FY 2012 from \$353 down to \$319 currently. Without help from the legislature, the benefit will be further reduced to \$275 in April 2012. This reduction could force many recipients into homelessness. It would be much more costly to the State to have to provide homeless services to help these people regain housing, versus keeping them in housing with the General Assistance payments.

We urge you to support this bill to give the Department of Human to flexibility to resolve the current budget shortfall for the program and continue the General Assistance payments at a very minimal level.

Thank you for the opportunity to provide comments.





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**COMMENTS IN SUPPORT OF**  
**SB2936 SD1 - RELATING TO PUBLIC ASSISTANCE PROGRAMS**

Committee on Ways and Means  
Senator David Ige, Chair  
Senator Michelle Kidani, Vice-Chair

February 29, 2012 at 9:15 a.m.

The Legal Aid Society of Hawaii submits testimony in support of SB2936 HD1 – Relating to Public Assistance Programs. This bill would allow the Department of Human Services to transfer unused funds from other programs when necessary to maintain a basic level of support for general assistance. General assistance is a program which provides financial assistance to disabled adults without children. The limited assistance that it provides can be critical to helping a disabled adult maintain housing or get access to basic necessities. It also provides a critical bridge for disabled adults who are seeking disability assistance from social security and upon award of social security; the state is repaid for the general assistance paid to the disabled adult.

Because general assistance is a block grant, assistance levels are determined based on the number of people in the community needing assistance. As these number rise (as they have over the last few years because of the economy), the assistance amount is reduced. Currently, the amount of assistance received by a disabled adult on general assistance is \$319 per month. Further, because of current demand and without an emergency appropriation this fiscal year, this amount may drop to \$188 in the month of June.

This bill would allow the Department of Human Services to utilize savings from other programs to maintain benefit levels and not have to seek an emergency appropriation.

General Assistance is the safety net and without it, far more people would be facing homelessness and would not have hope to get themselves back on their feet. FDR once said, “The test of our progress is not whether we add more to the abundance of those who have much, it is whether we provide enough for those who have too little.” I hope my support as a member of the Financial Assistance Advisory Council helps to provide just a little to those for whom the safety net was created.

Thank you for this opportunity to provide testimony.

Sincerely,

M. Nalani Fujimori Kaina  
Executive Director

*The Legal Aid Society of Hawaii (Legal Aid) is the only legal service provider with offices on every island in the state, and in 2011 provided legal assistance to over 10,000 Hawai'i residents in the areas of consumer fraud, public assistance, family law, the prevention of homelessness, employment, protection from domestic violence, and immigration. Our mission is to achieve fairness and justice through legal advocacy, outreach and education for those in need.*

# UNIVERSITY OF HAWAII

Bridge to Hope  
Serving UH Welfare Recipient Students

TO: Committee on Ways and Means  
Sen. David Ige, Chair  
Sen. Michelle Kidani Vice-Chair

FROM: Teresa Bill, Bridge to Hope Coordinator (956-8059)

RE: Testimony Supporting **SB2936, SD1**, Relating to Human Services  
Wed. Feb 29, 2012  
9:15 a.m. Conference Room 211

I am Teresa Bill, testifying in **support of SB2936, SD1** allowing the Dept. of Human Services to utilize other funds appropriated to the Dept. to fund general assistance to households without minor dependents. I am the coordinator of a UH program called Bridge to Hope that supports TANF participants in their pursuit of higher education as a means of economic self-sufficiency. However my testimony is not the official testimony of the University.

As a member of the Dept. of Human Services' Financial Assistance Advisory Council, I am aware that the "block grant funding" of General Assistance (GA) often results in less funds than needed to maintain a stable monthly allocation for GA recipients. It is a difficult decision the Dept. of Human Services must undertake to reduce the already small \$ 319 amount per month to address a shortfall. This small but very necessary funding can mean the difference for a single adult who may use these funds for shared housing.

Of course, increasing the block grant for General Assistance would also address this problem and this should be addressed as well.

I know the Dept. of Human Services attempts to address the block grant shortfalls as best they can, and the Dept. has identified this legislation allowing already appropriated funds to be used, as a reasonable "work around."

Please **support SB2936 SD1** and give DHS the ability to utilize already appropriated funds for General Assistance recipients.

Thank You