



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

January 31, 2013

MEMORANDUM

TO: The Honorable Mele Carroll, Chair
Committee on Human Services

FROM: Patricia McManaman, Director

SUBJECT: **H.B. 869 - RELATING TO GENERAL ASSISTANCE PROGRAM**

Hearing: Thursday, January 31, 2013; 9:30 a.m.
Conference Room 329, State Capitol

PURPOSE: The purpose of H.B. 869 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 (GA) benefits payments.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) strongly supports this Administration bill to allow the DHS to use savings in other programs of the Department to fund the shortfalls in the GA program due to caseload fluctuations.

The GA program (HMS 204), pursuant to section 346-53(b), Hawaii Revised Statutes, is a block grant program. GA is for the temporarily disabled and is intended as an interim assistance program to provide cash assistance either to those who have suffered a temporary illness or injury which prevents them from working, or to provide

such assistance to individuals with permanent disabilities until such time as they might start receiving federal disability benefits.

The maximum allowance a GA recipient may receive is determined by dividing the amount appropriated for GA payments by the Legislature in the State budget by the number of GA recipients. The DHS must adjust GA payments to remain within the appropriation when the caseload increases or decreases throughout the fiscal year.

For fiscal year 2011-2012, the payment level began at \$353, but due to caseload increases the benefit payment amount was reduced to \$319 in October 2011. The continual rise in caseload would have further reduced the payment to \$275 in April 2012, had the 2012 Legislature not approved an emergency assistance appropriation. In prior years, payment had been reduced to as low as \$234.

In the current fiscal year, the payment level began at \$319. However effective February 2013, the benefit payment amount will be reduced to \$298 due to the projected rise in the GA caseload. These reductions and fluctuations provide no stability to households who already live far 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.

To discontinue the future need to request emergency appropriations and more importantly to stabilize payment levels to an extremely needy and vulnerable population, the Department proposes to utilize, when needed, savings from other programs.

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



**LEGAL AID
SOCIETY OF HAWAII**

Telephone: (808) 536-4302 • Fax: (808) 527-8088
Mailing Address: P.O. Box 37375 • Honolulu, Hawaii 96837-0375
924 Bethel Street • Honolulu, Hawaii 96813

Calvin Pang, Esq.
President, Board of Directors

M. Nalani Fujimori Kaina, Esq.
Executive Director

**TESTIMONY IN SUPPORT OF
HB869 - RELATING TO THE GENERAL ASSISTANCE PROGRAM**

Committee on Human Services - Room 329

Representative Mele Carroll, Chair
Representative Bertrand Kobayashi, Vice-Chair

January 31, 2013 at 9:30 a.m.

The Legal Aid Society of Hawaii submits testimony in support of HB869 – Relating to the General Assistance Program. 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.

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.



www.legalaidhawaii.org
A UNITED WAY AGENCY

Date: January 29, 2013

To: HOUSE COMMITTEE on HUMAN SERVICES
Rep. Mele Carroll, Chair
Rep. Bertrand Kobayashi, Vice-Chair

From: Teresa Bill, Ph: 956-9313

Re: Supporting HB 869, Relating To General Assistance
Tues. Jan 31, 2013 9:30 a.m.
Conference Room 329 Committee Clerk, room 304

I am Teresa Bill, testifying in **support of HS 869** allowing the Dept. of Human Services to utilize other funds appropriated to the Dept. to fund general assistance to households without minor dependents.

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 throughout the fiscal year.

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. Such a reduction is scheduled this Spring to reduce this small amount to \$298 per month. 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 tries to address the block grant shortfalls as best they can. The Dept. has identified this legislation as a reasonable "work around."

Please **support HB 869** and give DHS the ability to utilize other funds already appropriated to the Department for General Assistance recipients.

Thank You