



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**  
**SB2840 SD1 - RELATING TO THE GENERAL ASSISTANCE PROGRAM**

Committee on Human Services - Room 329

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

March 18, 2014 at 9:45 a.m.

The Legal Aid Society of Hawaii submits testimony in support of SB2840 SD1 – 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. The amount that we are talking about is fairly minimal, however the effect of reductions can be great. Beginning April 1, 2014, individuals will receive \$348 and a couple will receive \$469.

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.”

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 2013 provided legal assistance to approximately 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.*



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

March 18, 2014

**MEMORANDUM**

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

FROM: Patricia McManaman, Director

SUBJECT: **S.B. 2840, S.D. 1 - RELATING TO THE GENERAL ASSISTANCE PROGRAM**

Hearing: Tuesday, March 18, 2014; 9:45 a.m.  
Conference Room 329, State Capitol

**PURPOSE:** The purpose of this bill is to allow the Department of Human Services to draw from other funds appropriated to the Department of Human Services to maintain the level of General Assistance benefits payments set at the beginning of each fiscal year for the entire fiscal year.

**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. Pursuant to this measure the DHS will provide a report, no later than twenty days prior to the convening of the 2014 Regular Session with details on the funds and calculations used.

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.

In recent years the Department has requested several emergency appropriations for the GA program with the latest request for fiscal year 2012. For fiscal year 2011-2012, the payment level began at \$353 in July 2011, 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 the amount of \$736,468. In prior years, payment had been reduced to as low as \$234.

In the 2012-2013 fiscal year, the payment level began at \$319. The benefit payment amount was reduced to \$298 in February 2013 due to an estimated shortfall of \$502,772 on a 3.5% projected rise in the caseload to 5,833. An emergency appropriation was not requested and the monthly benefit amount remained at \$298 for the rest of the fiscal year. For the FY 2014, the monthly benefit payment began at \$298 and was readjusted upward to \$319 in October 2013 based on a current slight decline in caseload.

The necessity for the reductions, fluctuations and the uncertainty in benefit levels provide no stability to households who live far below poverty level. Even residential treatment facilities such as Salvation Army or Hina Mauka which provide treatment services to our recipients are affected by the reductions and fluctuations as they must

find other resources to make up for the reductions to recipients who are mandated to be in residential treatment.

The Department's administrative rules specify that its monthly assistance payment shall be for basic needs and includes cost for food, household supplies, personal essentials, laundry, transportation and shelter. The current benefit payment of \$319 a month is so far below poverty level that it poses a real threat to the individuals' health and safety and it is also almost certain to trigger increased homelessness.

To stabilize payments to beneficiaries at an equitable benefit amount and to discontinue the future need to request emergency appropriations and more importantly to provide subsistence payment levels to an extremely needy and vulnerable population, the Department proposes to utilize, when needed, savings from other programs.

This measure is one of three strategies that the DHS is proposing to stabilize GA payments. The second is Administration bill S.B. 2841, S.D. 1, that proposes to establish a special fund into which Supplemental Security Income (SSI) reimbursements from the Social Security Administration from prior fiscal years is deposited for the state-funded benefits provided to disabled individuals who are subsequently deemed eligible for SSI. Funds from the special fund will be used to supplement the GA appropriation. The third strategy is an additional appropriation of \$2,642,000 of general funds to increase the current GA appropriation requested in the Executive Supplemental Budget and is currently included in H.B. 1700, H.D. 1.

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