



Testimony of Hawai'i Appleseed Center for Law and Economic Justice  
Supporting SB 2772 Relating to Foster Care  
Senate Committee on Human Services  
Scheduled for Hearing Thursday, February 12, 2014, 1:15 PM, Room 016

---

*Hawai'i Appleseed Center for Law and Economic Justice is a nonprofit, 501(c)(3) organization created to advocate on behalf of low income individuals and families in Hawai'i on civil legal issues of statewide importance. Our core mission is to help our clients gain access to the resources, services, and fair treatment that they need to realize their opportunities for self-achievement and economic security.*

---

Thank you for the opportunity to testify regarding Senate Bill 2772. We strongly support the intent of this bill, which is to increase the amount of the payments made for the care of foster children in our state—an amount that has not been updated for nearly a quarter of a century. As described further below, it is important that a newly adopted “foster care maintenance rate” is sufficient to cover the true costs of caring for foster children, and that appropriate measures are taken to ensure that the rate is updated in the future as costs rise due to inflation.

This legislature has recently passed bills that recognize the importance of early intervention in the lives of disadvantaged children, and that resources invested early on can have a positive impact that dwarfs the effect of later-life interventions that become necessary when a more proactive approach is not taken. For the abused and neglected children that are under the state's care, it is absolutely critical that we adequately provide for their needs, and doing so will undoubtedly pay for itself with reduced problems and costs in the future.

### **What the Payment Must Cover**

Since 1990, DHS has paid foster families \$529 per month, which is supposed to cover nearly all the costs of caring for a foster child. According to the federal law that underlies the significant federal funding our state receives for foster care, these payments must “cover the cost of (and the cost of providing) food, clothing, shelter, daily supervision, school supplies, a child's personal incidentals, liability insurance with respect to a child, and reasonable travel to the child's home for visitation.”<sup>1</sup> The following more detailed list of items that must be covered, taken almost verbatim from DHS's administrative rules, provides a better sense of exactly how much foster families must pay for with the payments they receive each month.

- Food, including lunches and milk;
- Shelter, including utilities;
- Use of household furnishings and equipment;

---

<sup>1</sup> 42 U.S.C. § 675(4)(A).

- Expenses involved in household operations;
- Personal essentials, including toothbrush, soap, brush/comb, haircuts, hygienic supplies, and contact lens maintenance supplies;
- Reading and educational materials/supplies;
- Recreational and community activities for the child such as parties, picnics, movies, and excursions;
- Transportation expense for the caregiver to shop for the foster child, or deliver the child to school events, or other community and recreational activities;
- Medicine chest supplies or first aid materials such as band-aids, aspirin, cough syrup, bandages, and antiseptics;
- Allowance according to the age of the child;
- Diapers and nutritional supplements recommended by the physician for the care of infants and toddlers.<sup>2</sup>

### **Making the Necessary Adjustment**

**If the \$529 paid for the care of foster children had been adjusted for inflation since 1990, the amount of the payment would be over \$950 today.** Understandably, an increase of that magnitude is a difficult pill to swallow. However, that is only because the rates have not been incrementally increased over the past 24 years. During the vast majority of those years, not enough has been paid to sufficiently care for foster children.

Currently, there is no state statute that sets the maintenance rate. DHS has had discretion over the setting of the rate, and it has been responsible for ensuring that the rate is adequate. Additionally, DHS was supposed to review the rate at least once every five years to ensure its continued adequacy. We do not know whether DHS ever conducted these reviews—in July 2013, Hawaii Appleseed submitted a public records request for information regarding the reviews, but despite repeated follow up, DHS never responded.

Since 2009 there have been bills before the legislature that have sought to increase the rate. Each time the bills were heard, foster families and support organizations testified about the difficulties posed by a rate that was too low to cover the costs of adequately caring for foster children. Up until last year, DHS opposed the bills, stating that a rate increase was not possible due to its cost.

DHS is now proposing rates that are approximately only \$50 to \$150 more than the rate adopted in 1990, and which are still grossly inadequate. For example, the proposed rates do not factor in a cost of living adjustment for Hawaii, instead relying on data from the western states, which include low-cost-of-living areas like Idaho and Utah. Even after DHS's proposed adjustment, Hawaii would remain among the lowest paying states in the nation after accounting for cost of living. Updating the old rate for inflation would not result in an overly-generous rate—in fact, it would put Hawaii near the middle of the pack among the states when adjusted for cost of living.

---

<sup>2</sup> Hawaii Administrative Rule § 17-1617-3(c).

Hawaii Appleseed has a lawsuit pending against DHS on this issue to ensure that foster children are adequately cared for and that the maintenance rate is appropriately increased. We have proposed to DHS that we participate in discussions to try to reach agreement on the appropriate amount for the rates. However, DHS has rejected the idea, instead saying that they are firmly committed to the rates they have proposed. We are deeply concerned about the inadequacy of the proposed rates. To comply with federal law, and most importantly, to ensure that foster children in Hawaii are adequately cared for, it is critical that a rate is adopted that is truly sufficient to provide for the needs of the children in care.

One final note: Although the rate increase is certainly necessary, we are concerned about having the rate set by statute because it will regularly need to be adjusted according to changes in living costs—we do not want a repeat of the current situation. If a statute is ultimately used to set the rate, one way to address the issue would be to have the rate automatically adjusted annually with changes to the CPI.

Thank you again for the opportunity to testify. We appreciate the time and attention you are putting into this important issue.

LATE

Neil Okuna  
2750A Lowrey Ave.  
Honolulu, HI 96822  
nnokuna@gmail.com

To: Senate Committees on Human Services and Ways and Means

Re: SB2772 hearing on February 13, 2014 at 1:15 p.m.

**Testimony in support of SB2772 (2 pages)**

Aloha Chairs Chun-Oakland and Ige; Vice-Chairs Green and Kidani; and members of the Committees,

My wife and I are former special-licensed resource parents. We took in a 15 year-old deaf boy who moved to Hawaii from California with his mother. They came to Hawaii because his mother wanted her son to be away from the gangs that were prevalent in his old neighborhood. My wife was asked to take him in because she is a certified sign language interpreter. He had been sent to a psychiatric institution after he cut himself; he did not want to go back home when his mother was not there and get beat up by his older brother. Further investigations by CPS found evidence that his mother was being neglectful. We initially decided to keep him for a weekend trial; he is now 31 and recently moved back into our home.

Because he is deaf, we received Difficulty of Care (DOC) payments in addition to the basic foster care payments of \$529 a month. He was essentially illiterate when we got him; he only knew about 2/3 of the alphabet and was on the certificate track at the Hawaii School for the Deaf. My wife, who is a school counselor, convinced the school to move him to the diploma track. She gave up free-lance interpreting and spent many hours every week teaching our foster son to read. Over the period of roughly a year, he improved his reading to about the second grade level. I also took it upon myself to learn sign language and become somewhat fluent over the first six months we had him. My wife and I felt that it was vital that I be able to communicate with our foster son.

I mentioned the DOC payments because the first summer we had him the additional funds were used to help send our foster son to a summer sports camp for the deaf in Washington, D.C. and to also spend time in California with his mother and other relatives there. As it turns out, that was the last time he would see his mother, because she died in a fiery car crash on Malibu Canyon Road a few months after that visit.

The DOC money gave us the resources to give our foster son a very special trip to Washington, D.C. as well the chance to see his mother. It also helped us to send him back to California for his mother's funeral. We are middle class, but it still would have been a stretch for us to send him on these trips without help from the DOC payments.

We continued to provide our foster son with additional opportunities and sent him to a Youth Leadership Camp in Oregon that was run by the National Association for the Deaf, and to Georgia so that he could spend a summer with his father, who had not had personal contact with him since his parents divorced when he was six. We also got him braces to straighten his teeth while he was in high school. But again, the main point is that absent the DOC payments, it would have been more difficult to afford sending him on these trips and provide him with orthodontic care.

Especially for long-term foster placements, I think it is very important that the child be treated the same as the other children in the family. I sincerely believe the expectation should be that the foster child's meals, sleeping arrangements, and activities are equivalent to the other children in the family. Therefore, if the family is planning a trip to Disneyland, for example, I would expect them to take the foster child to Disneyland as well, not just hire someone to provide respite care while the rest of the family goes on their vacation. And some of the proposed increase in foster payment should be used to provide some of these extras.

There are probably some who think that any extra funds would be used by the resource parents for their own use and not be spent on the child. I think that that view is wrong and the majority of resource parents take on the responsibility because they feel they can make a real positive difference in the lives of the children they bring into their home, and they are not doing it for the money.

In our own situation, after our foster son aged out of the foster care system, we continued to care for him in our home. He moved back to California in his mid-twenties for about a year and also lived on his own in Honolulu for about two years. As I mentioned earlier, he moved back into our home about a year ago and now our goals are the same as many other parents of "boomerang children" in trying to get him access to resources to improve his skills so that he will be able to finally become independent.

Now, I'll admit our situation was very unusual, because we were asked to be special licensed resource parents and we did not seek it out. We never planned to be resource parents and we were asked mainly because my wife is a sign-language interpreter. Regardless of the circumstances of how we came to be resource parents, I believe our experience points out the need for increased payments to foster care providers. Children who enter the foster care system are already at a disadvantage. Resource parents should be given the resources to help offer a better life to the children under their care.

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 13, 2014 12:58 AM  
**To:** HMS Testimony  
**Cc:** cariagacora@yahoo.com  
**Subject:** Submitted testimony for SB2772 on Feb 13, 2014 13:15PM

**SB2772**

Submitted on: 2/13/2014

Testimony for HMS on Feb 13, 2014 13:15PM in Conference Room 16

Submitted By	Organization	Testifier Position	Present at Hearing
Maria Corazon E. Cariaga	BIG ISLAND ADULT FOSTER HOME OPERATORS	Support	No

Comments: On behalf of the BIG ISLAND ADULT FOSTER HOME OPERATORS , we support this bill due to the high cost of of supplies that we need to kept our business alive. Actually we are helping the state millions of dollars by taking care of these needy population in our community. Thank you for giving me the opportunity to submit this testimony . Respectfully, Maria Corazon E. Cariaga , ( BIAFHO ) President

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

---

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Wednesday, February 12, 2014 5:30 PM  
**To:** HMS Testimony  
**Cc:** raineardt@gmail.com  
**Subject:** \*Submitted testimony for SB2772 on Feb 13, 2014 13:15PM\*

**SB2772**

Submitted on: 2/12/2014

Testimony for HMS on Feb 13, 2014 13:15PM in Conference Room 16

Submitted By	Organization	Testifier Position	Present at Hearing
Raine Arndt	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)