



STATE OF HAWAII  
DEPARTMENT OF HUMAN SERVICES  
P. O. Box 339  
Honolulu, Hawaii 96808

February 2, 2018

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

FROM: Pankaj Bhanot, Director

SUBJECT: **HB 2211 - RELATING TO HUMAN SERVICES**

Hearing: Tuesday, February 6, 2018, 8:30 AM  
Conference Room 329, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) appreciates the intent of this bill and provides comments.

**PURPOSE:** This purpose of this bill is to appropriate funds to attempt to satisfy the state and federal class action settlement agreements regarding the DHS foster care maintenance payment system.

DHS is sufficiently authorized through Federal and State law to administer the foster care maintenance payment system; no further legislation is necessary to accomplish that purpose.

To the extent that this bill seeks to fund the portion of a settlement to provide for an increase in the foster care maintenance rates, DHS has requested an appropriation in the Governor's supplemental budget request that would provide for an increase in foster care maintenance rate, and respectfully requests that the Legislature approve the increase through the executive budget. Providing the appropriation through the executive budget bill will embed the amount in the department's base budget into the future. DHS will avoid having to request additional funds year to year which would be required if the appropriation were made through this measure. With the supplemental budget request, DHS will be able to continue to support

the children in care and their resource caregivers, adoptive families, legal guardianship families, and the young people formerly in care.

DHS defers to the Department of Attorney General regarding the status of the litigation.

Thank you for the opportunity to testify on this measure.



**TESTIMONY OF  
THE DEPARTMENT OF THE ATTORNEY GENERAL  
TWENTY-NINTH LEGISLATURE, 2018**

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**ON THE FOLLOWING MEASURE:**

H.B. NO. 2211, RELATING TO HUMAN SERVICES.

**BEFORE THE:**

HOUSE COMMITTEE ON HEALTH AND HUMAN SERVICES

**DATE:** Tuesday, February 6, 2018                      **TIME:** 8:30 a.m.

**LOCATION:** State Capitol, Room 329

**TESTIFIER(S):** Russell A. Suzuki, Acting Attorney General, or  
Donna Kalama, Deputy Attorney General

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Chair Mizuno and Members of the Committee:

The Department of the Attorney General ("Department") supports this bill but respectfully requests that the bill be amended as suggested below.

The purpose of this bill is to appropriate funds to implement a global settlement agreement arising out of federal and state class action lawsuits regarding foster case maintenance payments. The federal lawsuit is *Ah Chong v. McManaman*, Civil No. 13-00663 LEK-KSC, and the state lawsuit is *Sheehey, et al. v. State of Hawaii*, Civil No. 14-1-1709-08 VLC.

In order to fully fund the global settlement of the federal and state lawsuits as contemplated by this bill, additional appropriations are required beyond those currently set forth.

Accordingly, we suggest that the amount in the appropriation in section 2 of the bill be left blank for now and a defective date added to allow the Department the opportunity to determine the specific appropriation needed.

Thank you for the opportunity to provide these comments.