A BILL FOR AN ACT

MAKING AN EMERGENCY APPROPRIATION FOR THE DEPARTMENT OF HUMAN SERVICES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. This Act is recommended by the governor for
- 2 immediate passage in accordance with article VII, section 9, of
- 3 the Constitution of the State of Hawaii.
- 4 SECTION 2. Act 9, Session Laws of Hawaii 2020,
- 5 appropriated a certain designated sum to the department of human
- 6 services to provide funds for the general assistance program
- 7 under the benefit, employment and support services division for
- 8 the fiscal period beginning July 1, 2020, and ending June 30,
- **9** 2021.
- 10 A critical funding emergency exists. Pursuant to
- 11 section 346-53(b), Hawaii Revised Statutes, the general
- 12 assistance program operates as a block grant program.
- 13 Currently, depending upon the amount appropriated by the
- 14 legislature, the monthly maximum allowance a general assistance
- 15 recipient may receive is determined by dividing the amount of
- 16 the appropriation by the number of general assistance

- 1 recipients; though per section 346-71(d), Hawaii Revised
- 2 Statutes, the maximum allowance shall not exceed sixty-two and
- 3 one-half per cent of the standard of need. The current monthly
- 4 general assistance amount is \$388 or forty-one per cent of the
- 5 standard of need. The standard of need is based upon the 2006
- 6 federal poverty level.
- 7 Due to the COVID-19 pandemic, the number of individuals
- 8 receiving general assistance benefits increased more than
- 9 thirty-one per cent from February through October 2020. Based
- 10 upon the October caseload of 6,814, the department projects the
- 11 general assistance program will expend all appropriated funds
- 12 before the end of the current fiscal year and the department
- 13 will be unable to maintain the current monthly general
- 14 assistance allowance of \$388 to the projected caseload of 6,834
- 15 general assistance recipients.
- 16 The current monthly allowance of \$388 is barely enough to
- 17 cover living expenses for disabled individuals on a fixed income
- 18 who have no other viable means of support. Stopping the grant
- 19 payment or reducing the amount of the grant payment for these
- 20 recipients poses a real threat to their health and safety.
- 21 Additional funds are urgently needed to prevent the reduction of

- 1 general assistance payments in the fourth quarter of fiscal
- 2 year 2020-2021. The department anticipates that the high
- 3 monthly caseload will continue, and the department projects an
- 4 \$8,400,000 shortfall for state fiscal year 2020-2021.
- 5 In Act 196, Session Laws of Hawaii 2015, the legislature
- 6 established the interim assistance reimbursement special fund to
- 7 receive federal reimbursements paid to the State by the United
- 8 States Social Security Administration for general assistance
- 9 payments. Reimbursements paid after the end of the fiscal year
- 10 are retained by the department and deposited into the interim
- 11 assistance reimbursement special fund to meet shortfalls in the
- 12 general assistance program in the event of economic downturn.
- Due to the COVID-19 pandemic and the economic downturn, the
- 14 department withdrew \$202,222.97 from the interim assistance
- 15 reimbursement special fund to meet program shortfalls in the
- 16 last quarter of the state fiscal year 2019-2020.
- 17 For the current state fiscal year, the department
- 18 anticipates withdrawing the entire \$3,000,000 from the interim
- 19 assistance reimbursement special fund and that withdrawals may
- 20 begin in December 2020.

- 1 The department requires an emergency appropriation for
- 2 state fiscal year 2020-2021.
- 3 SECTION 3. There is appropriated out of the general
- 4 revenues of the State of Hawaii the sum of \$3,200,000 or so much
- 5 thereof as may be necessary for fiscal year 2020-2021 to be used
- 6 for general assistance payments.
- 7 SECTION 4. The sum appropriated shall be expended by the
- 8 department of human services for the purposes of this Act.
- 9 SECTION 5. This Act shall take effect upon its approval.

Report Title:

General Support for General Assistance Payments (HMS 204); Emergency Appropriation

Description:

Makes an emergency appropriation from the general revenues of the State of Hawaii for fiscal year 2020-2021 to address the budget shortfall for the general support for the general assistance program (HMS 204) in the department of human services. (HD2)

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