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 section 9 of article VII 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 section
- 11 346-53(b), Hawaii Revised Statutes, the general assistance
- 12 program operates as a block grant program. Currently, depending
- 13 upon the amount appropriated by the legislature, the monthly
- 14 maximum allowance a general assistance recipient may receive is
- 15 determined by dividing the amount of the appropriation by the
- 16 number of general assistance recipients; though per section

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

- 1 2020-2021. The department anticipates that the high monthly
- 2 caseload will continue, and the department projects an
- 3 \$8,400,000 shortfall for state fiscal year 2020-2021.
- 4 Act 196, Session Laws of Hawaii 2015, the legislature
- 5 established the interim assistance reimbursement special fund to
- 6 receive federal reimbursements paid to the State by the United
- 7 States Social Security Administration for general assistance
- 8 payments. Reimbursements paid after the end of the fiscal year
- 9 are retained by the department and deposited into the interim
- 10 assistance reimbursement special fund to meet shortfalls in the
- 11 general assistance program in the event of economic downturn.
- Due to the COVID-19 pandemic and the economic downturn, the
- department withdrew \$202,222.97 from the interim assistance
- 14 reimbursement special fund to meet program shortfalls in the
- 15 last quarter of the state fiscal year 2019-2020.
- 16 For the current state fiscal year, the department
- 17 anticipates withdrawing the entire \$3,000,000 from the interim
- 18 assistance reimbursement special fund and that withdrawals may
- 19 begin in December 2020.
- The department requires an emergency appropriation of
- 21 \$5,400,000 for state fiscal year 2020-2021.

- 1 SECTION 3. There is appropriated out of the general
- 2 revenues of the State of Hawaii the sum of \$5,400,000 or so much
- 3 thereof as may be necessary for fiscal year 2020-2021 to be used
- 4 for general assistance payments.
- 5 SECTION 4. The sum appropriated shall be expended by the
- 6 department of human services for the purposes of this Act.
- 7 SECTION 5. This Act shall take effect on July 1, 2050.

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. Effective 7/1/2050. (SD1)

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