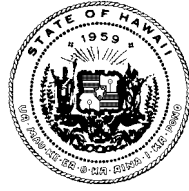


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DEPARTMENT OF HUMAN SERVICES

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April 6, 2021

TO: The Honorable Representative Sylvia Luke, Chair
House Committee on Finance

FROM: Cathy Betts, Director

SUBJECT: **SB 1137 SD2 HD1 – RELATING TO THE SPOUSE AND CHILD ABUSE SPECIAL FUND.**

Hearing: Wednesday, April 7, 2021, 1:30pm
Via Videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) strongly supports this administration measure that will provide needed access to revenue to implement Hawaii's Family First Prevention Services Act program plan. DHS respectfully requests the following amendments:

- (1) Re-insert the initial ceiling amount of \$5,000,000 in Section 2, page 3, line 8, and
- (2) Effectuate the effective date in Section 4 to read as follows, "This Act, upon its approval, shall take effect on June 30, 2021."

DHS needs to retain federal reimbursements in the Spouse and Child Abuse Special Fund (SCASF) to use those special funds for spouse and child abuse prevention and intervention services as a part of existing programs as well as to fund Hawaii's new Family First Prevention Services Act plan. Without a significant source of non-federal funds, DHS would require additional general funds appropriations.

The June 30, 2021 effective date will allow DHS to capture federal reimbursements received after the end of the fiscal year in which funds were initially expended.

The Senate Committees on Human Services and Ways & Means amended the measure by defecting the effective date and making technical amendments.

The House Committee on Health, Human Services, and Homelessness amended the measure by changing the increased cap to an unspecified amount, further defecting the date, and making technical amendments.

PURPOSE: Amends the spouse and child abuse special fund to allow up to an unspecified amount of federal reimbursements received from the U.S. Department of Health and Human Services, Administration for Children and Families, in the year following the fiscal year in which Family First Prevention Services funds and the title IV-E funds were expended to be deposited and retained. Effective 7/1/2060. (HD1)

In 2019, the administration proposed SB 1231 that became Act 84, Session Laws of Hawaii (SLH) 2019. Act 84, SLH 2019, amends section 346-7.5, HRS, to allow the Spouse and Child Abuse Special Fund (SCASF) to retain Title IV-E federal reimbursements received in the fiscal year following the year in which the Title IV-E funds were expended, up to \$3,000,000.

The Family First Prevention Services Act of 2018, Public Law 115-123 (FFPSA) provides a new mechanism for states to claim federal reimbursement through Title IV-E of the Social Security Act for a percentage of state or non-federal funds spent on certain child abuse and neglect prevention services. DHS submitted its Family First Hawai'i Plan for federal review at the end of December 2020 and is currently engaged in the approval process with the Administration for Children & Families. Once the plan is approved and implemented, DHS will be able to begin drawing down additional federal reimbursement funds for prevention services under FFPSA.

To draw down federal reimbursement, DHS is first required to expend a source of non-federal funds. DHS will use reimbursements from Title IV-E expenditures as the source of non-federal funds to maintain the current level of services, and to build programmatic and community capacity. This will maximize federal reimbursement for certain prevention services

available through Family First Hawai'i. Increasing the amount in SCASF that may be retained up to \$5,000,000 is a feasible strategy to stabilize a source of funding for these spouse and child abuse prevention services. DHS projects it will require approximately \$4.9 million in non-federal funds to implement the Family First Hawaii program. Without passage of this bill, the only other source of funds will be from general funds.

Currently, DHS deposits approximately \$5,000,000 of federal Title IV-E reimbursements to the general fund, when those reimbursements are received in the fiscal year after the funds were expended. Having the authority to retain up to \$5,000,000 in SCASF, instead of having amounts lapse into the general fund, will be crucial to assist DHS with a stable and predictable source of non-federal funds to administer evidence-based programs and services that prevent, reduce, and respond to the impacts or incidents of spouse abuse and child abuse and neglect – planned services under the Family First Hawai'i Plan. These expenditures can then be used to request reimbursement through FFPSA.

The impact on the public will be positive as DHS will be better able to maintain the current level of services that were provided through the State's Title IV-E Waiver Demonstration Project. Importantly, under FFPSA, the population that may be served for certain programs and services is greater than was previously eligible for Title IV-E funded programs, as certain conditions that previously limited eligibility for these funds have been removed by FFPSA. DHS anticipates that due to the multiple impacts of the COVID-19 pandemic, more families may need supportive services to prevent child abuse or neglect and avoid placement into foster care.

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

SB-1137-HD-1

Submitted on: 4/5/2021 2:05:09 PM

Testimony for FIN on 4/7/2021 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Mike Golojuch, Sr.	Rainbow Family 808	Support	No

Comments:

Rainbow Family 808 supports SB1137. Please pass this bill. Thank you.

Mike Golojuch, Sr., Secretary/Board Member, Rainbow Family 808