

A Bill for an Act Relating to Public Assistance.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Chapter 436, Hawaii Revised Statutes, is amended as follows:

1. Section 346-1 is amended to read:

**“Sec. 346-1 Definitions.** Unless the context clearly requires a different meaning, when used in this chapter:

“Department” means the department of social services and housing.

“Director” means the director of social services.

“Public assistance” means money payments to or for the benefit of persons whom the department has determined to be without sufficient means of support to maintain a standard consistent with this chapter, payments to or on behalf of such persons for medical care, and social service payments as described under the Social Security Act.

“Child welfare services” means and includes all services necessary for the protection and care of neglected children and children in danger of becoming delinquent, and all services necessary for the adoption of children.

“Applicant” means the person for whose use and benefit application for services or public assistance is made.

“Recipient” means the person for whose use and benefit services are rendered or a grant of public assistance is made.

“Neglected child” means any minor who for any reason is homeless or abandoned or who is receiving inadequate parental care or guardianship, or whose home, by reason of cruelty, neglect, or depravity on the part of his parents, guardian, or other person in whose care he may be, is an unfit place for the child.

“Medical care” means all kinds of medical care, psychiatric care, dental care, and maternity care, including surgical care, hospital care, eye care (which includes optical appliances), materials, supplies, and all other appliances used in the care, treatment and rehabilitation of patients, and hospitalization.

“Basic needs allowance” means a single monthly public assistance grant, including funds received from the federal government, expressed in a dollar amount per recipient or per recipient family to be provided a recipient or recipient family for all usual recurring living expenses excluding housing, utilities, and medical care.

“Shelter allowance” means a single monthly public assistance grant, including funds received from the federal government, expressed in a dollar amount per recipient or per recipient family to be provided a recipient or recipient family for all usual recurring shelter expenses including rent or mortgage payments and utilities.

“Money payments” means public assistance except for payments for medical care, including funds received from the federal government.

“Medical assistance” means payment for medical care, including funds

received from the federal government.”

2. Section 346-29 is amended to read:

**“Sec. 346-29 Applications for public assistance; manner, form, conditions.** Applications for public assistance under this chapter shall be made by the applicant, or by someone acting in the applicant’s behalf, in the manner, place, and form prescribed by the department.

No applicant shall be entitled to public assistance under this chapter who has sufficient income or other resources to provide a standard above that provided in this chapter, or who is an inmate of any public institution as long as the Social Security Act precludes the use of federal funds to provide public assistance to an inmate of such an institution, but an inmate of such institution mentioned in this section may apply for assistance to begin after his discharge from the institution. In determining the needs of an applicant or recipient for public assistance by the department, the department:

- (1) Shall disregard such amounts of earned or unearned income and resources as required by the Social Security Act or other federal acts, to receive federal matching funds and may disregard such additional amounts as these acts permit, now or in the future, to be disregarded.
- (2) Shall consider only such net income as is actually available for current use on a regular basis, and only current available resources will be considered, provided that the cash surrender value of life insurance policies owned by persons included in an application shall be treated as liquid assets.
- (3) Shall disregard a total in liquid assets equal to maximum possible money payments by family size multiplied by a factor of 1.5 and rounded to the nearest \$5.00 in determining the needs of persons for money payments; provided that this provision shall not apply to persons eligible for federal supplemental security income benefits. In determining the needs of such persons, the department shall apply the eligibility requirements under the federal supplemental security income program.
- (4) Shall disregard a total of at least \$1,500 in liquid assets in determining the needs of a single person for medical assistance only.
- (5) Shall disregard a total of at least \$2,250 in liquid assets in determining the needs of a family of two persons for medical assistance only and an additional \$250 for each additional person included in an application for medical assistance only.”

3. Part II is repealed and a new part is added to be appropriately designated and to read:

**“PART II. SPECIFIC PROVISIONS COVERING PUBLIC ASSISTANCE AND CHILD WELFARE SERVICES**

**Sec. 346- Public assistance and child welfare services administered by the department.** The department of social services and housing shall administer public assistance and child welfare services in the several counties except for payments administered under the Federal Supplemental Security Income Program or its successor agency. No person shall be denied the right to peti-

tion the department for additional assistance as established under section 346- (g).

**Sec. 346- Aged, blind, and permanently and totally disabled persons; eligibility for assistance.** A person shall be eligible for public assistance who meets the requirements established by the Federal Supplemental Security Income Program or its successor agency, provided he is also determined needy in accordance with state standards.

**Sec. 346- Determination of amount of assistance.** (a) The director shall adopt rules pursuant to chapter 91 concerning the determination of public assistance grants under this chapter. Public assistance grants shall be sufficient to maintain a standard consistent with this chapter. In granting public assistance to a person under this chapter the department may take into account part or all of the needs of the person's dependents or those persons essential to his well being, provided that they are also eligible for public assistance. In the event that a public assistance grant to a recipient has taken into consideration only part of the needs of other eligible persons this public assistance grant shall be without prejudice to a separate public assistance grant to such other eligible persons or any of them, as may be proper to meet their remaining needs and in compliance with this chapter.

(b) The maximum basic needs allowance which the department shall initially pay a recipient considering income and resources in accordance with this chapter shall be \$100 plus an additional \$44 for each additional person whose needs have been taken into account by the department. Once each year, beginning July 1, 1976, the director shall increase the maximum basic needs allowance which the department may pay a recipient, by a percentage equal to the annual percentage increase in the average weekly wage in covered employment, as computed by the director of labor and industrial relations pursuant to section 383-22. The department shall pay a recipient the maximum basic needs allowance if the department determines that his needs are not reduced by his income or resources.

(c) If a child is eligible for public assistance under section 346- , and if the child lives in a home or a place of residence maintained as a home by a relative specified under section 346- , and if such a relative does not receive public assistance as a person essential to the child's well being, then the department shall pay in behalf of each child the maximum basic needs allowance as prescribed in this chapter but not to include shelter allowance.

(d) The director shall pursuant to chapter 91 determine the rate of payment for the different levels of domiciliary care provided to recipients eligible for Federal Supplemental Security Income or public assistance in accordance with state standards. For recipients and applicants, the shelter allowance (to include rent and utilities) shall be for cost paid, up to the maximum as provided in the following schedule:

- (1) \$175 for 1 person;
- (2) \$215 for 2 persons;
- (3) \$240 for 3 persons;
- (4) \$265 for 4 persons;
- (5) \$290 for 5 persons;

- (6) \$320 for 6 persons;
- (7) \$360 for 7 or more persons.

(e) The department shall establish rules pursuant to chapter 91 for supplemental payments under the Federal Supplemental Security Income Program or its successor agency, such that a recipient's payments and benefits do not exceed the total of the maximum basic needs allowance and shelter allowance as provided by this chapter; provided that if a recipient sharing housing with a person receiving a shelter allowance from the department could qualify as an essential person to or dependent of such person, then the recipient shall be considered to live in free shelter. A recipient renting private housing or purchasing the home he lives in shall receive a shelter allowance for cost paid, up to the maximum established in subsection (d).

(f) The department shall pay rental and utility (to include gas, electricity, and water only) deposits once only for any person eligible for money payments by the department. However, under extraordinary circumstances as determined by the department, an additional rental and/or utility deposit may be granted.

(g) Any recipient may petition the department for additional assistance when his need is due to emergencies caused by seismic wave, tsunami, hurricane, volcanic eruption, typhoon, earthquake, flood or fire determined by the director to have caused losses as to require and justify additional assistance from the State. In addition any recipient may petition the department for additional assistance for the replacement or repair of household appliances. Such additional assistance shall be paid on an emergency basis, as determined by the department, to meet the cost of replacing or repairing household appliances. If the cost of repairs of household appliances is less than one-half the unit cost of the item, the department shall pay for the cost of repairs. If the cost of repairs of household appliances is more than one-half the unit cost of the item, the department shall replace the household appliance; provided the replacement cost shall not exceed \$350. For purposes of this subsection "household appliances" means a refrigerator or a range.

The department shall establish an emergency fund, not to exceed one per cent of total money payments from state funds required by this chapter in the previous fiscal year. The director shall adopt rules pursuant to chapter 91 for determining in which cases to grant lump sum payments to recipients petitioning for additional assistance.

**Sec. 346- Report on level of assistance.** On or before January 1 of odd numbered years the director shall submit a report to the legislature concerning the adequacy of the basic needs allowance and shelter allowance established by this chapter.

**Sec. 346- Children.** A child shall be eligible for public assistance who:

- (1) Is in need, and has not sufficient income or other resources to provide health care and support to maintain a standard consistent with this chapter.
- (2) Has not attained the age of eighteen years or twenty one years if regularly attending school.
- (3) Is deprived of parental support or suitable care by reason of the

death, continued absence from home, physical or mental incapacity, unemployment, or cruelty, neglect, or depravity on the part of the parent;

- (4) Is living in a home with his father, mother, grandfather, grandmother, brother, sister, stepfather, stepmother, uncle, aunt, first cousin, nephew, or niece in a place of residence maintained by such a relative as his own home; or is living in a family home or institution conforming to the standards fixed by the department of social services and housing.

**Sec. 346- State reimbursement.** The department of social services and housing shall comply with all federal requirements pertaining to methods and standards of administration and shall make such rules and regulations and follow such procedures as may be required for the receipt from the federal government of grants or grants-in-aid for public assistance and such administrative costs as are provided in connection therewith.

**Sec. 346- Loans to applicants for federal supplemental security income.** Notwithstanding any laws to the contrary, the department of social services and housing may, out of its operating funds, make loans to any person eligible for public assistance as provided in this chapter who is an applicant for benefits under the Federal Supplemental Security Income Program or its successor agency subject to the following conditions:

- (1) The Federal Bureau of Supplemental Security Income has denied applicant's request for advance payment or finding of presumptive eligibility for supplemental security income;
- (2) The loan or loans shall be for a period not to exceed the action of the Federal Bureau of Supplemental Security Income approving or disapproving assistance under its program;
- (3) The loan or loans shall bear no interest;
- (4) The loan or loans shall not exceed the amount of assistance otherwise available to the applicant under this chapter;
- (5) The loan or loans shall be repaid by the applicant out of the retroactive supplemental security income payments, provided that nothing herein shall restrict the federal government from making direct payments to the State for such loan or loans, and provided further that the loan or loans shall be discharged and no repayment shall be required from an applicant whose application for federal supplemental security income assistance has been disapproved.
- (6) The applicant shall not be eligible for money payments by the department, provided that he shall become eligible for such assistance upon disapproval of the application for federal supplemental security income assistance."

SECTION 2. Section 346-73, Hawaii Revised Statutes, is repealed.

SECTION 3. Section 359-123, Hawaii Revised Statutes, is amended to read:

**"Sec. 359-123 Qualified tenant defined.** As used in this part, the term "qualified tenant" does not include persons determined to be eligible for aid

through the Federal Supplemental Security Income Program or its successor agency or persons receiving money payments for public assistance from the department of social services and housing. Otherwise, "qualified tenant" means (1) any single person who has attained the age of 62 or who is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment, and (2) any family; provided such single person or family has, pursuant to criteria and procedures established by the Hawaii housing authority, been determined to have an income which would qualify the tenant for occupancy in housing provided by section 221(d)(3) of the National Housing Act or to have a lesser income. The terms "qualified tenant" and "tenant" include a member of a cooperative who satisfies the foregoing requirements and who, upon resale of his membership to the cooperative, will not be reimbursed for more than 50 per cent of any equity increment accumulated through payments under this part. With respect to members of a cooperative, the terms "rental" and "rental charges" mean the charges under the occupancy agreements between such members and the cooperative."

SECTION 4. It is the intent of this Act not to jeopardize the receipt of any federal funds. The director may, by rule pursuant to chapter 91, modify the strict provisions of this Act for the purpose of, and only to the extent necessary for, qualifying for federal funds. The director shall report all such rules to the Legislature not less than twenty days prior to the first day of the regular session, and all such rules shall expire one year from the date of enactment.

SECTION 5. A person who is a recipient when this Act takes effect, and whose shelter expenses exceed the maximum shelter allowance which this Act allows, shall not have his public assistance grant reduced for six months, unless his shelter expenses decrease, or his income or resources increase. His public assistance grant shall not increase because his shelter expenses increase as long as his shelter expenses exceed the maximum shelter allowance which this Act allows him. The director of the department of social services and housing shall adopt rules pursuant to chapter 91 for determining whether to grant extensions to the six months to a recipient whose shelter expenses still exceed the maximum shelter allowance which this Act allows him. The director shall not grant more than a total of six months of such extensions to a recipient.

SECTION 6. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material, or the underscoring.\*

SECTION 7. This Act shall take effect on July 1, 1975.

(Approved May 27, 1975.)

\*Edited accordingly.