

STAND. COM. REP. NO.

304

Honolulu, Hawaii

FEB 17 2011

RE: S.B. No. 1108
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Human Services, to which was referred S.B. No. 1108 entitled:

"A BILL FOR AN ACT RELATING TO INDIVIDUAL DEVELOPMENT ACCOUNTS,"

begs leave to report as follows:

The purpose and intent of this measure is to support asset-building among low- and moderate-income families by clarifying guidelines for Individual Development Accounts and appropriating funds for the operation of Individual Development Account programs.

Your Committee received testimony in support of this measure from the Department of Human Services and Hawai'i Alliance for Community-Based Economic Development.

Your Committee finds that Individual Development Accounts are matched savings accounts that enable low-income families to save, build assets, and enter the financial mainstream. Individual Development Accounts reward working families who are building toward an asset, such as buying a home, paying for college, or starting a small business.

Your Committee further finds that fiduciary organizations that run Individual Development Account programs need access to sufficient operational funds. Many Individual Development Account programs have long waiting lists of eligible low-income families, but lack the matching funds to support them. Your Committee also

2011-1417 SSCR SMA.doc



finds that the appropriation in this measure will allow more families in Hawaii to save, build assets, and contribute to the overall economy.

Your Committee understands the concerns regarding replacing the references to the "State" with the "Department of Human Services" in chapter 257, Hawaii Revised Statutes. Your Committee notes that the Department of Human Services is not the only Department that may issue Individual Development Accounts, and replacing "State" with "Department of Human Services" may limit the kinds of Individual Development Accounts that may be issued.

Accordingly, your Committee has amended this measure by:

- (1) Deleting the amendments to chapter 257 that replaced the word "State" with references to the Department of Human Services; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1108, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1108, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Human Services,

Suzanne Chun Oakland
SUZANNE CHUN OAKLAND, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Human Services
HMS

Bill / Resolution No.:* SB 1108	Committee Referral: HMS, WAM	Date: 2-15-11
---	--	-------------------------

The committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312 Pass, with amendments 2311 Hold 2310 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
CHUN OAKLAND, Suzanne (C)	✓			
IHARA, Jr., Les (VC)	✓			
GREEN, M.D., Josh	✓			
SLOM, Sam				✓
TOTAL	3	0	0	1

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature: *[Signature]*

Distribution: Original Yellow Pink Goldenrod
 File with Committee Report Clerk's Office Drafting Agency Committee File Copy