
A BILL FOR AN ACT

MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HUMAN SERVICES.

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

SECTION 1. This Act is recommended by the governor for immediate passage in accordance with section 9 of article VII of the Constitution of the State of Hawaii.

SECTION 2. A critical funding emergency exists. The general assistance program (HMS 204) will expend all appropriated funds before the end of the current fiscal year 2011-2012. Pursuant to section 346-53(b), Hawaii Revised Statutes, the general assistance program is a block grant program; the maximum allowance a general assistance recipient may receive is determined by dividing the amount of the appropriation by the number of general assistance recipients.

Due to increasing general assistance caseloads, the department reduced monthly general assistance payments in October 2011 from \$344 to \$319 a month. Caseloads continue to rise and the department is unable to maintain the current maximum \$319 per month general assistance payment benefit to approximately 5,584 disabled recipients for the duration of the funding year. In the absence of an emergency appropriation, general assistance payments will be reduced to \$268 a month in March 2012. This amount is not enough

to cover living and housing expenses for individuals who have no other viable means of support.

Stopping the grant payment or reducing the amount of the grant payment for these individuals poses a real threat to the individuals' health and safety and is likely to result in increased homelessness. To avoid further reductions of general assistance payments additional funds are urgently needed.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$736,478 or so much thereof as may be necessary for fiscal year 2011-2012 to be used for general assistance payments (HMS 204).

SECTION 4. The sum appropriated shall be expended by the department of human services for the purposes of this Act.

SECTION 5. This Act shall take effect upon its approval.

Report Title:

General Assistance (HMS 402); Emergency Appropriation

Description:

Makes an emergency appropriation from the general revenues of the State of Hawaii for fiscal year 2011-2012 to address the budget shortfall in for the general assistance program (HMS 204) in the Department of Human Services.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

February 13, 2012

MEMORANDUM

TO: The Honorable John M. Mizuno, Chair
House Committee on Human Services

FROM: Patricia McManaman, Director

SUBJECT: **H.B. 2547, Proposed H.D. 1 – MAKING AN EMERGENCY
APPROPRIATION TO THE DEPARTMENT OF HUMAN
SERVICES**
Hearing: Monday, February 13, 2012; 10:30 a.m.
Conference Room 329, State Capitol

PURPOSE: The purpose of H.B. 2547, Proposed H.D. 1, is to make an emergency appropriation from the general revenues of the State of Hawaii for fiscal year 2011-2012 to address the budget shortfall in for the general assistance program (HMS 204) in the Department of Human Services.

DEPARTMENT'S POSITION: The Department of Human Services strongly supports this bill.

The general assistance program (HMS 204) will expend all appropriated funds before the end of the current fiscal year 2011-2012. Pursuant to section 346-53(b), Hawaii Revised Statutes, the general assistance program is a block grant program; the maximum allowance a general assistance recipient may receive is determined by dividing the amount of the appropriation by the number of general assistance recipients.

Due to increasing general assistance program caseloads, the Department reduced monthly general assistance payments in October 2011 from \$344 to \$319 a

month. Caseloads continue to rise and the Department will be unable to maintain the current maximum \$319 per month general assistance payment to approximately 5,584 disabled recipients. The current appropriation of \$319 per month is not enough to cover living and housing expenses for individuals who have no other viable means of support.

DHS would offer one update of information to this bill. Based on the latest expenditure figures, the DHS will have to reduce the general assistance payment to \$275 beginning April 2012.

Stopping the benefit payment or reducing the amount of the benefit payment for these individuals poses a real threat to the individuals' health and safety. It is also almost certain to trigger increased homelessness. To prevent another reduction of general assistance payments starting April 2012, additional funds are urgently needed.

The Department of Human Services sincerely appreciates the assistance of the Chair, Co-Chair and members of the House Human Services Committee for providing and scheduling this proposed emergency appropriation bill for the general assistance program.

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