



GOV. MSG. NO. 1297

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 1, 2015

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Twenty-Eighth State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Joseph M. Souki,
Speaker and Members of the
House of Representatives
Twenty-Eighth State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Souki, and Members of the Legislature:

This is to inform you that on July 1, 2015, the following bill was signed into law:

HB1432 HD2 SD1 CD1

RELATING TO THE INTERIM ASSISTANCE
REIMBURSEMENT SPECIAL FUND
ACT 196 (15)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

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A BILL FOR AN ACT

RELATING TO THE INTERIM ASSISTANCE REIMBURSEMENT SPECIAL FUND.

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

1 SECTION 1. An eligibility determination for federal
2 supplemental security income can take several months or years if
3 an appeal is filed. At one time, the average length of time for
4 an initial supplemental security income determination was three
5 to five months. Presently, the average length of time has grown
6 to four to eight months. Consequently, in a majority of cases,
7 the federal interim assistance reimbursement is not received by
8 the department of human services in the same fiscal year in
9 which the state-funded benefits were paid.

10 The department of human services is not allowed to retain,
11 interim assistance reimbursements received for a prior fiscal
12 year, and instead is required to deposit these reimbursements
13 into the general fund. The department of human services
14 returned \$1,056,219 to the general fund in 2013 and \$897,335 to
15 the general fund in 2012. The department of human services
16 would not have needed emergency appropriations in 2012 for the
17 general assistance program if the department had been able to
18 retain the \$897,335 that had lapsed to the general fund.



1 Shortfalls also affect benefit payments. The department of
2 human services did not ask for emergency appropriations in 2013
3 and chose to keep the general assistance payment at \$298 per
4 month, with a small increase to \$319 in October of 2013 after a
5 slight caseload decrease. However, the department of human
6 services would have been able to increase the general assistance
7 payment amount earlier and in a higher amount had it been able
8 to retain the interim assistance reimbursements from prior
9 fiscal years.

10 The purpose of this Act is to establish the interim
11 assistance reimbursement special fund, into which will be
12 deposited reimbursements received from the United States Social
13 Security Administration on behalf of recipients who have been
14 retroactively approved for supplemental security income after
15 receiving state-funded interim assistance payments. The special
16 fund will be used for state-funded financial assistance payments
17 and for programs that support and assist recipients to qualify
18 for supplemental security income.

19 SECTION 2. Chapter 346, Hawaii Revised Statutes, is
20 amended by adding a new section to be appropriately designated
21 and to read as follows:



1 "§346- Interim assistance reimbursement special fund.

2 (a) There is established in the state treasury the interim
3 assistance reimbursement special fund, to be administered by the
4 department, into which shall be deposited:

5 (1) Moneys received from the federal government pursuant
6 to section 346-57;

7 (2) Appropriations made by the legislature to the fund;

8 (3) Any interest that accrues upon the balance in the
9 fund; and

10 (4) Any other revenues designated for the fund.

11 (b) Moneys in the interim assistance reimbursement special
12 fund shall be used for:

13 (1) State-funded financial assistance payments; and

14 (2) Programs that support and assist recipients to qualify
15 for supplemental security income.

16 (c) All unencumbered and unexpended moneys in excess of
17 \$3,000,000 in the interim assistance reimbursement special fund
18 shall lapse to the credit of the general fund. Upon dissolution
19 of the special fund; any unencumbered and unexpended moneys
20 remaining on balance in the fund shall lapse to the credit of
21 the general fund.



1 (d) Moneys in the interim assistance reimbursement special
2 fund may be used for general assistance to households without
3 minor dependents; provided that these moneys shall not be
4 considered by the director in determining the general assistance
5 allowance as set forth in section 346-53(b).

6 (e) The department shall submit a report to the
7 legislature detailing the amount of, and reason for, any
8 expenditure from the interim assistance reimbursement special
9 fund within ten business days of the expenditure."

10 SECTION 3. There is appropriated out of the interim
11 assistance reimbursement special fund the sum of \$3,000,000 or
12 so much thereof as may be necessary for fiscal year 2015-2016 to
13 carry out the purposes of this Act.

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

16 SECTION 4. New statutory material is underscored.

17 SECTION 5. This Act shall take effect on July 1, 2015.

APPROVED this 1 day of JUL , 2015



GOVERNOR OF THE STATE OF HAWAII

