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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. The purpose of this Act is to establish the  
2 interim assistance reimbursement special fund, into which shall  
3 be deposited reimbursements received from the federal Social  
4 Security Administration on behalf of recipients who have been  
5 retroactively approved for supplemental security income after  
6 receiving state-funded interim assistance payments. The special  
7 fund will be used to supplement state-funded assistance programs  
8 during the year to either maintain payments or avert reductions  
9 when the caseloads rise within the department of human services.

10           An eligibility determination for supplemental security  
11 income can take several months or years if an appeal is filed.  
12 At one time, the average length of time for an initial  
13 supplemental security income determination took from three to  
14 five months. Presently, the average length of time has grown to  
15 four to eight months. Consequently, in a majority of cases, the  
16 federal interim assistance reimbursement is not received by the  
17 department of human services in the same fiscal year in which



1 the state-funded benefits were paid. The department of human  
2 services is not allowed to retain interim assistance  
3 reimbursements received for a prior fiscal year, and instead is  
4 required to deposit such reimbursements into the general fund.  
5 In 2013, the department of human services returned \$1,056,219 to  
6 the general fund; in 2012, the department of human services  
7 returned \$897,335 to the general fund. The department of human  
8 services would not have needed emergency appropriations in 2012  
9 for the general assistance program if the department had been  
10 able to retain the \$897,335 that had lapsed to the general fund.  
11 Shortfalls also affect benefit payments. The department of  
12 human services did not ask for emergency appropriations in 2013  
13 and chose to keep the general assistance payment at \$298 per  
14 month, with a small increase to \$319 in October of 2013 after a  
15 slight caseload decrease. However, the department of human  
16 services would have been able to increase the general assistance  
17 payment amount earlier and in a higher amount had it been able  
18 to retain the interim assistance reimbursements from prior  
19 fiscal years.



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

4 "346- Interim assistance reimbursement special fund.

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

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

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

11 (3) Any interest that accrues upon the balance in the  
12 fund; and

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

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

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

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

19 (c) Any amount in the interim assistance reimbursement

20 special fund in excess of \$3,000,000 shall be deposited into the



1 general fund. Upon dissolution of the fund, any unencumbered  
2 moneys in the fund shall lapse to the general fund.

3 (d) Any moneys in the interim assistance reimbursement  
4 special fund may be used for general assistance to households  
5 without minor dependents, but shall not be considered by the  
6 director in determining the general assistance allowance as set  
7 forth in section 346-53(b).

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

12 SECTION 3. There is appropriated out of the general  
13 revenues of the State of Hawaii the sum of \$ or so much  
14 thereof as may be necessary for fiscal year 2015-2016 for  
15 deposit into the interim assistance reimbursement special fund.

16 SECTION 4. There is appropriated out of the interim  
17 assistance reimbursement special fund the sum of \$3,000,000 or  
18 so much thereof as may be necessary for fiscal year 2015-2016 to  
19 carry out the purposes of the Act.

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



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1 SECTION 5. New statutory material is underscored.

2 SECTION 6. This Act shall take effect on July 1, 2015.

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INTRODUCED BY: 

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JAN 29 2015



# H.B. NO. 1432

**Report Title:**

Human Services; Interim Assistance Reimbursement Special Fund

**Description:**

Establishes the Interim Assistance Reimbursement Special Fund into which reimbursements received from the Social Security Administration will be deposited for state-funded financial assistance payments and programs to assist individuals to qualify for supplemental security income.

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