

Honolulu, Hawaii

MAR 21 2012

RE: H.B. No. 2685  
H.D. 2  
S.D. 1

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2012  
State of Hawaii

Sir:

Your Committee on Human Services, to which was referred H.B. No. 2685, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HUMAN SERVICES,"

begs leave to report as follows:

The purpose and intent of this measure is to increase the asset limit for public assistance for households with minor dependents from \$5,000 to \$10,000.

Your Committee received testimony in support of this measure from the Department of Human Services, the Office of Hawaiian Affairs, Hawai'i Alliance for Community-Based Economic Development, Hawai'i Women's Coalition, and PHOCUSED.

Your Committee finds that according to the Hawaii State Asset Building and Financial Education Task Force's final report and recommendations to the Legislature dated January 2010, elimination of asset tests would allow families to save and establish a savings net so that they are able to move out of and remain out of poverty.

Your Committee also finds that according to the testimony of the Department of Human Services, a change in the asset limit for public assistance programs may affect all assistance programs that the Department of Human Services currently administers. This measure would require changes to the information systems used by



the Department to determine eligibility and is estimated to cost \$100,000 and take six months or longer to implement.

The Department of Human Services has requested additional time to study the impacts of implementing the change in asset limits proposed by this measure and supports reporting to the Legislature the fiscal consequences of raising the asset limit of public assistance programs. A report will avoid duplication of efforts that will be required by the Patient Protection and Affordable Care Act, which will be implemented in 2014, and ensure that financial and other resources are used in a cost-effective manner.

Your Committee has therefore amended this measure by:

- (1) Deleting the language that amended section 346-29, Hawaii Revised Statutes, to increase the asset limit for households with minor dependents;
- (2) Inserting language to require the Department of Human Services to conduct a study on asset limits for public assistance programs that includes:
  - (A) An evaluation of the current asset limits;
  - (B) Promising practices, policies, and trends; and
  - (C) The potential effects of changing the asset limit on the Supplemental Nutritional Assistance Program, Temporary Assistance for Needy Families program, Temporary Assistance to Other Needy Families program, and Med-QUEST program; and
- (3) Requiring the Department of Human Services to report its findings and recommendations to the Legislature no later than twenty days prior to the convening of the Regular Session of 2013.

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 H.B. No. 2685, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2685, H.D. 2, 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,

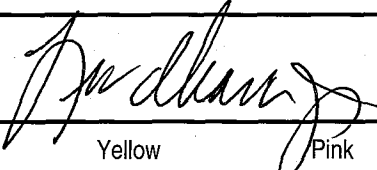
*Suzanne Chun Oakland*

SUZANNE CHUN OAKLAND, Chair



The Senate  
 Twenty-Sixth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Human Services**  
**HMS**

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 2685, HD2	HMS, WAM	3-13-12		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
CHUN OAKLAND, Suzanne (C)	✓			
IHARA, Jr., Les (VC)	✓			
GREEN, M.D., Josh				✓
SLOM, Sam	✓			
<b>TOTAL</b>	3	0	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

\*Only one measure per Record of Votes