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# A BILL FOR AN ACT

RELATING TO SOCIAL SERVICES.

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

1           SECTION 1. The legislature finds that the State provides a  
2 personal needs allowance for individuals residing in adult  
3 foster homes, adult residential care homes, domiciliary homes,  
4 and other long-term care facilities. The personal needs  
5 allowance allows recipients to purchase necessary items, such as  
6 clothing, toiletries, and meals, and covers other day-to-day  
7 living expenses.

8           The legislature further finds that when the federal  
9 government first established the needs allowance in 1974, the  
10 allowance was set at \$25 per month, which was then subsequently  
11 increased to \$30 in 1998. Act 96, Session Laws of Hawaii 2007,  
12 increased the monthly needs allowance to \$50 to better  
13 accommodate the increase in the cost of living. However, the  
14 allowance has not been increased since then. The legislature  
15 believes that the personal needs allowance must be increased to  
16 effectively support individuals residing in long-term care  
17 facilities.



1           Accordingly, the purpose of this Act is to:

2           (1)   Increase the personal needs allowance from \$50 to \$75;

3           (2)   Clarify that the needs allowance is not intended to  
4                replace or affect funds received from the federal  
5                supplemental security income program;

6           (3)   Require certain long-term care facility operators to  
7                pay for generic toiletries, linens, and meals and  
8                snacks;

9           (4)   Clarify the individuals who are eligible to receive  
10               the needs allowance; and

11          (5)   Require the department of human services to perform an  
12               annual review of the needs allowance and report to the  
13               legislature.

14          SECTION 2.   Section 346-53, Hawaii Revised Statutes, is  
15   amended by amending subsection (c) to read as follows:

16          "(c)   The director, pursuant to chapter 91, shall determine  
17   the rate of payment for domiciliary care, including care  
18   provided in licensed developmental disabilities domiciliary  
19   homes, community care foster family homes, and certified adult  
20   foster homes, to be provided to recipients who are eligible for  
21   federal [~~supplementary~~] supplemental security income or public



1 assistance, or both. The director shall provide for level of  
2 care payment as follows:

3 (1) Beginning on July 1, [~~2008~~] 2024, for adult  
4 residential care homes classified as facility type I,  
5 licensed developmental disabilities domiciliary homes  
6 as defined under section 321-15.9, community care  
7 foster family homes as defined under section 321-481,  
8 and certified adult foster homes as defined under  
9 section 321-11.2, the state supplemental payment shall  
10 not exceed [~~\$651.90~~] \$ \_\_\_\_\_; and

11 (2) Beginning on July 1, [~~2008~~] 2024, for adult  
12 residential care homes classified as facility type II,  
13 the state supplemental payment shall not exceed  
14 [~~\$759.90~~] \$ \_\_\_\_\_.

15 If the operator does not provide the quality of care  
16 consistent with the needs of the individual to the satisfaction  
17 of the department, the department may remove the recipient to  
18 another facility.

19 The department shall handle abusive practices under this  
20 section in accordance with chapter 91.



1           Nothing in this subsection shall allow the director to  
2 remove a recipient from an adult residential care home or other  
3 similar institution if the recipient does not desire to be  
4 removed and the operator is agreeable to the recipient  
5 remaining, except where the recipient requires a higher level of  
6 care than provided or where the recipient no longer requires any  
7 domiciliary care."

8           SECTION 3. Section 346D-4.5, Hawaii Revised Statutes, is  
9 amended to read as follows:

10           "**§346D-4.5 Needs allowance; waiver program individuals.**

11 (a) There may be established a monthly needs allowance for  
12 individuals living in:

- 13           (1) Adult residential care home type I and type II  
14           facilities;
- 15           (2) Licensed developmental disabilities domiciliary homes  
16           as defined in section 321-15.9;
- 17           (3) Community care foster family homes as defined in  
18           section 321-481;
- 19           (4) Certified adult foster homes as defined in section  
20           321-11.2;
- 21           (5) Domiciliary care as defined in section 346-1;



1 (6) A nursing facility; or

2 (7) A community-based residence as part of the residential  
3 alternatives community care program.

4 (b) The needs allowance may be administered by the  
5 department of human services to pay for clothing and other  
6 personal miscellaneous needs, such as bus fare, personal postage  
7 costs, haircuts, and other costs of day-to-day living.

8 (c) The State's supplemental payment for a needs allowance  
9 under subsection (a) shall be increased by an amount necessary  
10 to bring the allowance up to [~~\$50~~] \$75 per month. The payment  
11 under this section shall be afforded to an individual  
12 notwithstanding that the individual is incapacitated; provided  
13 that the moneys may be spent on behalf of the client, with a  
14 written accounting, by the operator of the residence or  
15 facility.

16 (d) The needs allowance is not intended to replace or  
17 affect the funds received from the federal supplemental security  
18 income program and shall be supplemental to any funds provided  
19 to a recipient by the federal supplemental security income  
20 program.



1       (e) The operators of facilities identified in subsection  
2 (a) shall pay for generic toiletries, including toilet paper,  
3 hand soap, and paper towels; linens, including bedding, sheets,  
4 blankets, towels, and bath towels; and meals and snacks for  
5 outings; provided that operators shall not use the needs  
6 allowance without the consent of the individual receiving the  
7 needs allowance; provided further that an operator shall  
8 maintain records of when an individual authorizes the use of the  
9 individual's needs allowance that describes how the money from  
10 the needs allowance was spent.

11       (f) The needs allowance shall apply to persons otherwise  
12 eligible to receive monthly income pursuant to state law or  
13 rules and federal laws or regulations and is not intended to  
14 affect the classifications of, or number of, persons eligible to  
15 receive such funds.

16       (g) The department of human services shall perform an  
17 annual review of the monthly needs allowance to ensure the  
18 allowance provides adequate coverage. The department of human  
19 services shall submit a report of corrections or improvements to  
20 the monthly needs allowance, including any proposed legislation,  
21 to the legislature no later than twenty days prior to the



1 convening of the regular session of 2025 and every regular  
2 session thereafter."

3 SECTION 4. There is appropriated out of the general  
4 revenues of the State of Hawaii the sum of \$ or so  
5 much thereof as may be necessary for fiscal year 2024-2025 to  
6 provide a monthly needs allowance to individuals eligible  
7 pursuant to section 346D-4.5, Hawaii Revised Statutes.

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

10 SECTION 5. In accordance with section 9 of article VII of  
11 the Hawaii State Constitution and sections 37-91 and 37-93,  
12 Hawaii Revised Statutes, the legislature has determined that the  
13 appropriations contained in H.B. No. , will cause the state  
14 general fund expenditure ceiling for fiscal year 2024-2025 to be  
15 exceeded by \$ or per cent. In addition, the  
16 appropriation contained in this Act will cause the general fund  
17 expenditure ceiling for fiscal year 2024-2025 to be further  
18 exceeded by \$ or per cent. The combined total  
19 amount of general fund appropriations contained in only these  
20 two Acts will cause the state general fund expenditure ceiling  
21 for fiscal year 2024-2025 to be exceeded by



1 §                    or                    per cent. The reasons for exceeding the  
2 general fund expenditure ceiling are that:

3            (1) The appropriation made in this Act is necessary to  
4                    serve the public interest; and

5            (2) The appropriation made in this Act meets the needs  
6                    addressed by this Act.

7            SECTION 6. Statutory material to be repealed is bracketed  
8 and stricken. New statutory material is underscored.

9            SECTION 7. This Act shall take effect on July 1, 2024.

10

INTRODUCED BY: \_\_\_\_\_



JAN 23 2024



# H.B. NO. 2558

**Report Title:**

Needs Allowance; Long-term Care Facilities; Department of Human Services; Appropriation; Expenditure Ceiling

**Description:**

Increases the monthly needs allowance from \$50 to \$75. Clarifies that the needs allowance is not intended to replace or affect funds received from the federal Supplemental Security Income program. Requires certain long-term care facility operators to pay for generic toiletries, linens, and meals and snacks. Clarifies the individuals who are eligible to receive the needs allowance. Requires the Department of Human Services to perform an annual review of the needs allowance and report to the Legislature. Appropriates funds.

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

