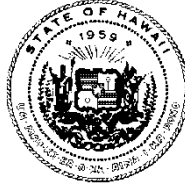


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March 21, 2021

TO: The Honorable Representative Mark M. Nakashima, Chair  
House Committee on Judiciary and Hawaiian Affairs

FROM: Cathy Betts, Director

SUBJECT: **SB 192 SD1 HD1 – RELATING TO PUBLIC ASSISTANCE.**

Hearing: Thursday, March 23, 2021, 2:00 p.m.  
Via Videoconference, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) appreciates the intent of this bill and provides comments. To implement this measure, DHS will require additional resources for staff, system modifications, and to fund the benefits and services. DHS respectfully requests that any general fund appropriation contemplated by this measure does not replace or reduce budget priorities identified in the Executive biennium budget.

The Senate Committee on Human Services passed the measure unamended. The Senate Committee on Ways and Means defected the effective date and made technical amendments. The House Committees on Pandemic and Disaster Preparedness and Health, Human Services, and Homelessness defected the effective date.

**PURPOSE:** The purpose of the bill is to allow the Department of Human Services to administer and provide public assistance to eligible residents of the State during a governor-declared state of emergency. Effective 7/1/2060. (HD1)

This bill proposes a new state-funded financial assistance program for a population of "able-bodied" individuals between the ages of eighteen and sixty-five years of age during a declared state of emergency. Currently, there is no financial assistance program for this

population who are able to work, do not have minor dependents, and do not have a work history to access unemployment insurance benefits.

DHS provides financial assistance to residents living at or under the federal poverty level by administering the federal Temporary Assistance for Needy Families (TANF) and state-funded Temporary Assistance for Other Needy Families (TAONF),<sup>1</sup> the state-funded Aid to the Aged, Blind or Disabled (AABD), and the state-funded General Assistance (GA) programs. These programs cover a broad spectrum of needy Hawaii residents: the TANF and TAONF programs cover families with minor children; the AABD program covers individuals who are age sixty-five years and older, and individuals who are under age sixty-five who are permanently disabled and blind; and the GA program covers individuals age eighteen to sixty-five without minor children who are not permanently disabled, but have a disabling mental or physical condition(s) that prevents them from working thirty hours per week for at least sixty days.

Other benefit programs that serve the population targeted by this measure include the Supplemental Nutrition Assistance Program (SNAP),<sup>2</sup> HINET – a SNAP and general fund supported workforce education program for SNAP eligible individuals attending University of Hawaii Community Colleges, homeless services, vocational rehabilitation services through the Division of Vocational Rehabilitation, and health care insurance coverage through the Med-QUEST division.

The proposed benefit limit would far exceed the benefit levels of any program currently administered by DHS. The federal Supplemental Security Income (SSI) program's 2021 payment to an SSI beneficiary is \$794, which is 64 percent of the 2021 Federal Poverty Level (FPL), and would be 85 percent of the 2006 FPL. In contrast, the income standards for TANF, TAONF, AABD, and GA, are based on the percentages of the 2006 FPL, and none of the income standards can exceed 62.5 percent of the 2006 FPL by current Hawaii law.<sup>3</sup>

A general fund appropriation is required to fund the benefit and to implement this program; currently, there is no source of sustainable federal funds available. Typically, if

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<sup>1</sup> The state-funded TAONF program serves households of mixed citizenship with program rules that mirror the TANF program; the TAONF is part of the State's Maintenance of Effort (MOE) for the TANF program.

<sup>2</sup> Regarding SNAP, only U.S. citizens and certain lawfully-present non-citizens may receive SNAP benefits.

<sup>3</sup> See section 346-53, Hawaii Revised Statutes.

federally funded, the implementing federal agency provides program guidelines and restrictions as to how the federal funds may be used. If the requirements for those federal funds are contrary to the program proposed by this measure, federal law and rules will prevail.

If the measure proceeds, State general funds and additional time are required to implement the program. DHS will need time and resources to develop and adopt administrative rules, design, develop, and implement changes to the Department's eligibility system to be ready to execute this program upon the declaration of an emergency. Given the current pandemic related priorities, DHS respectfully requests an effective date further into the future to allow sufficient time to develop and adopt rules for this program and to make the required system enhancements.

Lastly, DHS respectfully requests any general fund appropriation needed to implement this measure does not replace or reduce budget priorities identified in the Executive biennium budget. DHS requires the continued support of the Legislature to continue to respond to residents' needs. DHS needs to be properly resourced to provide timely and accurate benefits and services in compliance with multiple program requirements. Additional proposed cuts to positions as well as cuts to existing program funds, will have long term negative consequences on the agency's ability to support our workforce, sustain current caseloads, distribute and provide oversight over additional federal stimulus funds, and maintain the level of services delivered by community providers. Continuing to reduce the capacity of DHS to deliver needed services will impact the residents and the communities we serve and hamper our ability to implement innovative programming.

Thank you for the opportunity to provide comments on this measure.



**Testimony to the House Committee on Judiciary & Hawaiian Affairs  
Tuesday, March 23, 2021; 2:00 p.m.  
State Capitol, Conference Room 325  
Via Videoconference**

**RE: SENATE BILL NO. 0192, SENATE DRAFT 1, HOUSE DRAFT 1, RELATING TO PUBLIC ASSISTANCE.**

Chair Nakashima, Vice Chair Matayoshi, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **SUPPORTS** Senate Bill No. 0192, House Draft 1, RELATING TO PUBLIC ASSISTANCE.

As received by your Committee, Senate Bill No. 0192, House Draft 1, would allow the Department of Human Services to administer and provide public assistance during the issuance of a proclamation by the governor declaring a state of emergency so long as the person is not otherwise able to provide sufficient support for themselves or their dependent and certain income, and residency requirements are met.

This measure would take effect on July 1, 2060, to facilitate continued discussion.

By way of background, the HPCA represents Hawaii Federally-Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

The HPCA also asserts that the COVID-19 pandemic has severely threatened the health and welfare of our citizens, especially Hawaii's underprivileged and rural communities. With so many people unemployed, entire families are struggling to put food on the table on a consistent basis. All one needs to do is visit one of our member FQHC's food distribution events and see the line of cars stretch for miles and the large number of people who wait for hours to receive some surplus food.

**Testimony on Senate Bill No. 0192, House Draft 1**  
**Tuesday, March 23, 2021; 2:00 p.m.**  
**Page 2**

The HPCA understands that the State is experiencing its worst financial crisis since the Great Depression and appreciates how difficult your job will be in deciding where very limited resources will go over the next two years. But a wise person once wrote that the true test of a society is how it treats its most vulnerable populations, especially during hard times. We ask that you consider that as you deliberate on this measure.

We urge your favorable consideration of this bill.

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or [eabe@hawaiiipca.net](mailto:eabe@hawaiiipca.net).