



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

February 12, 2009

MEMORANDUM

TO: Honorable John M. Mizuno, Chair
House Committee on Human Services

FROM: Lillian B. Koller, Director

SUBJECT: **H. B. 1097 - RELATING TO ASSISTANCE FOR AGED, BLIND, AND
PERMANENTLY AND TOTALLY DISABLED PERSONS**

Hearing: Thursday, February 12, 2009, 8:00 a.m.
Conference Room 329, State Capitol

PURPOSE: This bill proposes to change the State-funded Assistance for Aged, Blind, and Permanently and Totally Disabled public assistance program from an entitlement program to a block grant program. The assistance amount will be based upon the total amount appropriated by the Legislature.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports this Administration bill.

This bill proposes to determine the assistance amount for the State-funded Assistance for Aged, Blind, and Permanently and Totally Disabled public assistance program based on the caseload and the total amount appropriated by the Legislature which is currently provided by statute not to exceed 62.5% of the standard of need.

This bill will allow the Legislature greater flexibility to control the funding for this program depending on the State's financial status. It will also increase transparency

and improve the State's ability to track and reliably project costs for this program. Assistance will be provided within the limits of the Legislature's authorized appropriation.

The maximum assistance amount for this program will remain at the current 62.5% of the standard of need. The Department's ability to provide the maximum assistance will depend on the program caseload and the funding authorized by the Legislature for this program.

In addition, after consultation with the Office of the Attorney General, the Department respectfully requests an amendment to this bill on page 4, line 3, for clarity. Throughout S.B. 915, reference is made to "general assistance to households without minor dependents" and "public assistance to aged, blind, and permanently and totally disabled persons."

Page 4, line 3, should read: "assistance to households without minor dependents and public assistance to aged, blind, and permanently and totally disabled persons." If the change is not made on page 4, line 3, then it will appear in section 346-53(b) that the term "general assistance" applies to aged, blind, and permanently and totally disabled persons when, in fact, that is not the case.

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

George J. Zweibel, Esq.
President, Board of Directors

M. Nalani Fujimori, Esq.
Interim Executive Director

TESTIFYING IN OPPOSITION TO
HB1097 - RELATING TO ASSISTANCE FOR AGED, BLIND, AND PERMANENTLY AND
TOTALLY DISABLED PERSONS

February 12, 2009 at 8:00 a.m.

The Legal Aid Society of Hawaii hereby provides testimony in opposition to the House Committee on Human Services on HB1097 – Relating to Assistance for Aged, Blind, and Permanently and Totally Disabled Persons (“AABD”). While we understand the intent and need for this bill, we much prefer another solution that would preserve AABD as an entitlement program.

The Legal Aid Society of Hawaii provides free legal services to the low-income population of the State of Hawaii. We provided civil legal assistance to those in need through nine offices located in Lihue, Waianae, Honolulu, Kaneohe, Kaunakakai, Lanai City, Wailuku, Kona and Hilo. Over the years we have provided leadership around public benefits issues and on an annual basis update our public benefits manual and provide a two-day training on public benefits.

As written, this bill would convert AABD from an entitlement program to a block grant program.

AABD-GA PROBLEM

In Hawai'i there are two financial assistance programs for disabled individuals. Simply stated AABD is for those that are permanently disabled, but that don't qualify for Supplemental Social Security Income (“SSI”) because of immigration status or other reasons and General Assistance (“GA”) is for those who are either temporarily disabled or who may qualify for SSI.

Because the legislature has recognized an on-going need to support those who are permanently and totally disabled persons, AABD was established as an entitlement program. As such, the benefit level for AABD is set at the same rates as the TANF/TAONF programs. However, GA was created as a block grant program which means that benefit amounts are paid out based on the total allocation provided by the legislature.

Recognizing the need to disburse comparable benefits, over the years DHS has maintained the GA payment at the same rate as the AABD program even when the block grant allocated for GA would not support such levels. To do so, DHS would transfer funds from the AABD to the GA program. However, recently they've been advised that they cannot continue this practice as AABD is an entitlement and GA is blocked grant.

As such, in order to allow for continued transfers and to ensure on-going parity between these two populations, either AABD must be converted to a block grant program or GA must be converted to an entitlement program. This bill converts AABD to a block grant program.

AABD SHOULD NOT BE A BLOCK GRANT

While we understand the problem faced by DHS and the state, we do not think that the solution is in changing a program like AABD into a block grant. By changing AABD, we expose this most vulnerable population to fluctuation in benefits based on the availability of state funds and the numbers of individuals who qualify for the program. Our aged, blind, and permanently and totally disabled citizens do not deserve such fluctuation especially when they are living on a fixed income and are unable to work.

February 11, 2009

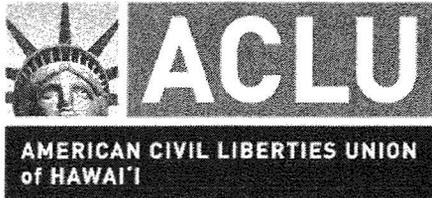
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As such we oppose this bill and much prefer an option to convert the GA program into an entitlement program. We submit this solution as a part of our testimony on HB1098 – Relating to General Assistance.

Thank you for the opportunity to testify.

Sincerely,

M. Nalani Fujimori
Interim Executive Director



BY EMAIL: HUStestimony@capitol.hawaii.gov

Committee: Committee on Human Services

Hearing Date/Time: Thursday, February 12, 2009, 8:00 a.m.

Place: Room 329

Re: *Testimony of the ACLU of Hawaii in Opposition to H.B. 1098, Relating to General Assistance*

Dear Chair Chun Oakland and Members of the Committee on Human Services:

The American Civil Liberties Union of Hawaii ("ACLU of Hawaii") writes in opposition to H.B. 1098, which seeks to place a 12-month limit on general assistance to households without minor dependents.

This bill severely and unnecessarily punishes poor people. In this time of high and rising unemployment and housing prices, we should not be considering ways to restrict assistance to poor individuals, some of our most vulnerable citizens. Restricting general assistance access to these already low-income individuals will stretch our homeless resources to the breaking point and cost us much more in the long run. Hawaii would be better served by providing support to individuals and families seeking to transition out of general assistance.

The mission of the ACLU of Hawaii is to protect the fundamental freedoms enshrined in the U.S. and State Constitutions. The ACLU of Hawaii fulfills this through legislative, litigation, and public education programs statewide. The ACLU of Hawaii is a non-partisan and private non-profit organization that provides its services at no cost to the public and does not accept government funds. The ACLU of Hawaii has been serving Hawaii for over 40 years.

Thank you for this opportunity to testify.

Sincerely,

Laurie A. Temple
Staff Attorney
ACLU of Hawaii

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House HUS Cmte
Thurs, Feb 12, 2009
8:00 am
room 329

National Association of Social Workers

Hawaii Chapter

February 9, 2009

TO: Representative John Mizuno, Chair
Members of the House Human Services Committee

FROM: Debbie Shimizu, LSW
National Association of Social Workers, Hawaii Chapter

RE: HB 1097 Relating to Assistance for Aged, Blind, and Permanently and Totally Disabled Persons- **OPPOSED**

Chair Mizuno and members of the House Human Services Committee, I am Debbie Shimizu, Executive Director of the National Association of Social Workers (NASW), Hawaii Chapter. I am also a member of the Financial Assistance Advisory Council (FAAC) of DHS. NASW is the largest professional organization for social workers in Hawaii.

NASW opposes HB 1097.

The purpose of HB 1097 is to change the way the ABD program is funded. Currently the program is an entitlement program and the amount of assistance is based on a formula (50% of the standard of need). This bill proposed to change the ABD into a block grant. In discussions with the Financial Assistance Advisory Council and the director of Human Services, we agreed to retain the ABD program as an entitlement program based on a formula of the standard of need and change the GA program into an entitlement program. By allowing ABD and GA to be entitlement programs, the department is able to transfer money from other programs into ABD or GA if funds provided in the budget is short.

Thank you for this opportunity to testify.

[REDACTED]

From: Joel Fischer [REDACTED]@hawaii.edu
Sent: Tuesday, February 10, 2009 9:43 AM
To: HUS testimony
Subject: HB1097;HUS;2/12/09;8:00AM;Rm329

Importance: High

**HB1097, Relating to AABD
HUS; Chair, Rep Mizuno**

PLEASE KILL OR MODIFY THIS BILL!

I am a member of Director Koller's Financial Assistance Advisory Committee (FAAC), established by Statute to advise the DHS Director on cash assistance issues. In a meeting on 2/9 with Director Koller, we agree we need to think out of the box; she said she would support the changes suggested below.

I understand that DHS is struggling with the issue of transfer of funds from the AABD program to GA. But this bill effectively would make AABD a block grant program, thereby creating another block grant that, along with GA, is very difficult to modify or add funds to once enacted.

Instead, I suggest we use this bill as 1) **a vehicle to change GA into a needs-based, appropriations-based** program like the AABD is now. Then, we could finally take GA out of the block grant situation, and funds-transfer, if we need it, would be much easier.

OR

2) really thinking out of the box by **combining GA with AABD by changing only two words in the Statutes: "and temporary."** Thus the law on AABD would read: "for temporary and permanently disabled." This would take care of many if not all of the problems of robbing Peter to pay Paul.

Thank you for considering this proposal.

Aloha, joel

Dr. Joel Fischer, ACSW
President, 19-3, Democratic Party

Professor
University of Hawai'i, School of Social Work
Henke Hall
Honolulu, HI 96822

"It is reasonable that everyone who asks justice should DO justice."
Thomas Jefferson

"There comes a time when one must take a position that is neither safe, nor politic, nor popular, but one must take it because one's conscience tells one that it is right."
Dr. Martin Luther King, Jr.

Date: February 10, 2009

To: HOUSE COMMITTEE ON HUMAN SERVICES
Rep. John Mizuno, Chair
Rep. Tom Brower Vice-Chair

From: Teresa Bill ph: 956-9313

Re: HB1097 relating to Assistance to Aged, Blind and Disabled
Thurs. Feb. 12 2009 8:00 a.m.
Conference Room 329 1 copy to Committee Clerk, room 315

My name is Teresa Bill. **I oppose HB 1097 converting the program for assistance for the AABD (Aged, Blind & Permanently and Totally Disabled) to a block grant.**

As a member of the Dept. of Human Services' Director's Financial Assistance Advisory Council I understand that the Dept. is attempting to resolve a budget disjuncture by making both AABD and General Assistance "block grants" which means the amount of assistance paid to eligible individuals can be reduced if the number of individuals eligible should increase. Instead, it would be better to make both programs straight entitlement programs; you either qualify and are entitled to 50% of the 2006 Federal Poverty Level, or you're not.

The AABD (Aged, Blind & Permanently and Totally Disabled) program serves individuals who are not eligible for any federal program, like Social Security Disability Insurance, many time due to citizenship status. This group of individuals need and currently receive a stable amount of \$469 per month (as defined as 50% of the Federal Poverty Level of 2006). Changing the AABD program to a block grant makes the program and its recipients vulnerable to fluctuations in funding, depending upon how many people are eligible and how much the block grant has been funded.

To maintain a safety net, the level of assistance needs to be stable, predictable and somewhat reasonable. Although I would like to see these individuals receive more than \$469 per month; what I really do not support is any change in funding mechanisms that could potentially reduce that small monthly payment. These individuals need the full \$469 per month and they need to know that the monthly assistance payment will remain stable, steady and reliable; not fluctuate wildly with minimum notice (1 month) because there appears to be more eligible individuals.

The Department of Human Services has been able to fund both AABD and General Assistance recipients with the full \$469 per month within its funding. Both programs should be based on eligibility, not block grant funding.

I oppose converting the AABD program to a block grant funding.

Thank you for this opportunity to testify.