

## GOV. MSG. NO. 528

#### EXECUTIVE CHAMBERS

HONOLULU

LINDA LINGLE GOVERNOR

April 25, 2010

The Honorable Colleen Hanabusa, President and Members of the Senate Twenty-Fifth State Legislature State Capitol, Room 409 Honolulu, Hawaii 96813

Dear Madam President and Members of the Senate:

I am transmitting herewith SB2650 SD2 HD2 CD1, without my approval, and with the statement of objections relating to the measure.

SB2650 SD2 HD2 CD1

A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF HUMAN SERVICES.

Sincerely,

LINDA LINGLÉ

# EXECUTIVE CHAMBERS HONOLULU April 25, 2010

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 2650

Honorable Members
Twenty-Fifth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 2650, entitled "A Bill for an Act Relating to the Department of Human Services."

The purpose of this bill is to allow the Governor, through the Department of Human Services (DHS), to establish an eligibility processing operations division (EPOD) pilot project on Oahu. This bill also prohibits the DHS from implementing any transfer of eligibility functions via a reorganization proposed before and during the effective date of the measure, other than the pilot project.

This bill is objectionable because it denies equal access for Hawaii residents living on the neighbor islands to utilize and receive public benefits, such as welfare assistance, Medicaid, and the Supplemental Nutrition Assistance Program services. The reorganization, proposed and approved before the Legislature passed this measure, is designed to increase the convenience with which clients across the State can apply for services and renew their eligibility to retain services through the establishment of a call center and online applications. Residents could also receive in-person assistance at remaining DHS offices, community-based social service agencies, hospitals, and health clinics statewide.

This measure would provide easier access to the application and renewal process for residents on Oahu only, which

STATEMENT OF OBJECTIONS SENATE BILL NO. 2650 Page 2

is not fair to those living on the neighbor islands, and discriminates against them based solely on the location of their residence.

This bill is also objectionable because it would limit DHS's ability to reduce the backlog of applications and renewals for public assistance, which has increased statewide since 2008 because of the global economic recession. If EPOD cannot be fully implemented statewide, only those applications originating on Oahu will benefit from faster, more responsive, processing. Neighbor island applications are currently delayed for as long as four months, and the processing periods are not within the required federal timelines. The backlog will continue to grow. This does not serve our most needy residents well.

Furthermore, the original state-wide proposal would have improved the quality of service to public assistance recipients statewide while saving the taxpayers of the State an estimated \$8 million annually. There is nothing wrong with improving service and also saving money. The original program should proceed.

For the foregoing reasons, I am returning Senate Bill No. 2650 without my approval.

Respectfully,

LINDA LINGLE

Governor of Hawaii

THE SENATE TWENTY-FIFTH LEGISLATURE, 2010 STATE OF HAWAII VEIO

S.B. NO.

2650 S.D. 2 H.D. 2

D. 1

## A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF HUMAN SERVICES.

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

- 1 SECTION 1. (a) The governor may develop and implement
- 2 through the department of human services an eligibility-
- 3 processing operations division pilot project for the department
- 4 of human services benefit, employment and support services
- 5 division; social services division; and med-QUEST division that
- 6 includes the intake, maintenance, and eligibility determination
- 7 functions for public assistance, the supplemental nutrition
- 8 assistance program, foster care services, and medicaid services
- 9 for benefit recipients in any county with a population of five
- 10 hundred thousand or more.
- 11 (b) The eligibility-processing operations division pilot
- 12 project shall be developed and implemented pursuant to chapter
- 13 91, Hawaii Revised Statutes.
- 14 SECTION 2. The department of human services shall not
- 15 implement any reorganization plan, proposed prior to the
- 16 effective date of this Act or other than the pilot project
- 17 authorized by this Act, to transfer intake, maintenance, and
- 18 eligibility determination functions for public assistance, the 2010-1899 SB2650 CD1 SMA-1.doc



- 1 supplemental nutrition assistance program, foster care services,
- 2 and medicaid services to an eligibility-processing operations
- 3 division.
- 4 SECTION 3. This Act shall take effect upon its approval
- 5 and shall be repealed on June 30, 2011.

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