STAND. COM. REP. NO. 1071

Honolulu, Hawaii

MAR 2 7 2009

RE: H.B. No. 1064 H.D. 1 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2009 State of Hawaii

Madam:

Your Committee on Human Services, to which was referred H.B. No. 1064, H.D. 1, entitled:

"A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE DEPARTMENT OF HUMAN SERVICES TO ADDRESS THE BUDGET SHORTFALL, "

begs leave to report as follows:

The purpose of this measure is to provide emergency appropriations to the Department of Human Services to address its budget shortfalls.

Testimony in opposition was submitted by the American Association of Retired Persons to the original content of H.B. No. 1064, H.D. 1.

Testimony in support of a proposed Senate draft of this measure was submitted by the National Association of Social Workers, the Legal Aid Society of Hawaii, Hawaii Women Work, and two individuals. The Department of Budget and Finance provided comments. Written testimony presented to your Committee may be reviewed on the Legislature's website.

Your Committee finds that without the emergency appropriations in this measure, temporarily disabled individuals currently on general assistance will have monthly benefits reduced from \$469 per month to \$234 per month. This drastic cut in



STAND. COM. REP. NO. Page 2

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benefits will prevent recipients from paying rent, buying food, or paying for other basic needs.

Additionally, this measure will provide the necessary emergency appropriations for mental health services. Your Committee notes that people with mental illnesses who lose access to a necessary therapist or other treatment may become unstable, suffering personal loss, and it may be years before they can be helped back to services. Expending Federal Medical Assistance Percentage dollars on medicaid-eligible services, like those provided by the Hawaii Health Systems Corporation and the Department of Health for community-based care management and other services, and directing the Department of Human Services to use a portion of the funds to pay for these services would not only fund safety net health services immediately from now until June 30, 2009, but allow the State to draw down additional federal medicaid dollars.

Your Committee has amended this measure by:

- (1) Replacing its contents with the contents of H.B. No. 1064, H.D. 1, proposed S.D. 1, which was circulated prior to the hearing;
- (2) Inserting the contents of H.B. No. 1065, H.D. 1, proposed S.D. 1, which was circulated prior to the hearing, with amendments to include identifying the agencies and amounts for the appropriations; and
- (3) Making technical, nonsubstantive changes for the purposes of clarity and style.

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. 1064, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1064, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.



STAND. COM. REP. NO. 1071 Page 3

Respectfully submitted on behalf of the members of the Committee on Human Services,

Franne Chum Calland

SUZANNE CHUN OAKLAND, Chair



The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Human Services HMS

Bill / Resolution No.:*	Committee Referral:		4	Date:	
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The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended A Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
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IHARA, Jr., Les (VC)		V			
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Recommendation:					
Chair's or Designee's Signature:					
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Distribution: Original Yellow Mark Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes