

Honolulu, Hawaii

MAR - 1 2013

S.B. No. 1101 RE: S.D. 2

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2013 State of Hawaii

## Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 1101, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE ESTABLISHMENT OF THE INTERIM ASSISTANCE REIMBURSEMENT SPECIAL FUND,"

begs leave to report as follows:

The purpose and intent of this measure is to stabilize payments to general assistance recipients and reduce the need for emergency appropriations.

More specifically, this measure:

- (1)Establishes the interim assistance reimbursement special fund into which interim assistance reimbursements from the Social Security Administration shall be deposited as reimbursements for state-funded financial assistance payments made to recipients pending approval for federal supplemental security income; and
- Require the Department of Human Services (Department) to (2) use the funds from the special fund only for statefunded financial assistance payments and programs that support and assist recipients to qualify for supplemental security income.

Your Committee received testimony in support of this measure from the Department of Human Services; Legal Aid Society of Hawaii; and one concerned individual.

SB1101 SD2 SSCR LRB 13-1799.doc 

Your Committee finds that state-funded financial assistance is paid to qualified recipients while their application for supplemental security income is pending a determination with the Social Security Administration. If the application is approved, the Social Security Administration reimburses the State for the assistance provided. Often, the reimbursement does not arrive in the same fiscal year in which the state-funded assistance was given. Because the Department is required to deposit reimbursements from a prior fiscal year into the general fund, the Department is often forced to request an emergency appropriation to compensate for the shortfall. This measure will stabilize payments to beneficiaries and reduce the future need for emergency appropriations for the general assistance program, by allowing the Department to retain the reimbursements from prior fiscal years in the newly created special fund to be used solely for financial assistance payments.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making a technical nonsubstantive amendment for the purpose of style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1101, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1101, S.D. 2.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

Arril Y. IGE. Chair

## The Senate Twenty-Seventh Legislature State of Hawai'i

## Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:		Dat	Date:	
2B 1101, 2D1	HMS, WAM		2-22-13		
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)		/			. "
KIDANI, Michelle N. (VC)					
CHUN OAKLAND, Suzanne					
DELA CRUZ, Donovan M.			:		
ENGLISH, J. Kalani		<b>/</b>			
ESPERO, Will					
KAHELE, Gilbert					
KEITH-AGARAN, Gilbert S.C.					
KOUCHI, Ronald D.					
RUDERMAN, Russell E.					
THIELEN, Laura H.					
TOKUDA, Jill N.					
SLOM, Sam				-	
	1				1 1
TOTAL		11	0		1
Recommendation:  Adopted  Not Adopted					
Chair's or Designee's Signature: Muchille M. Sidani					
Distribution:         Original         Yellow         Pink         Goldenrod           File with Committee Report         Clerk's Office         Drafting Agency         Committee File Copy					

<sup>\*</sup>Only one measure per Record of Votes