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M. Nalani Fujimori Kaina, Esq. Executive Director

<u>TESTIMONY IN SUPPORT OF</u> SB1101 SD2 - RELATING TO THE ESTABLISHMENT OF THE INTERIM ASSISTANCE REIMBURSEMENT SPECIAL FUND

Committee on Finance - Room 308

Representative Sylvia Luke, Chair Representative Scott Nishimoto, Vice-Chair Representative Aaron Ling Johanson, Vice-Chair

April 2, 2013 at 2:00 p.m.

The Legal Aid Society of Hawaii submits testimony in support of SB1101 SD2 – Relating to the Establishment of the Interim Assistance Reimbursement Special Fund. This bill would create a special fund where funds received by the federal government to reimburse the state for the provision of general assistance upon the successful award of social security benefits to a disabled Hawaii resident.

For over fifteen years, under contract with the Department of Human Services, Legal Aid has provided legal advocacy to disabled Hawai'i residents who receive state funded general assistance and state funded assistance to the aged blind and disabled to receive federal social security benefits. To receive state funded disability assistance, recipients are required to sign a loan agreement with the state which indicates that the state shall be reimbursed from any retroactive payment for benefits to be paid to the recipient by the federal government. Currently, a large portion of these funds are deposited into the general fund and the Department of Human Services over the last several years has had to seek Emergency Appropriations to maintain a small, but valuable benefit to our disabled residents.

The amount of benefits brought to the state cannot be understated. Legal Aid's efforts in just the last ten years has netted over \$8.3 million in back payments to reimburse the state and current monthly payments of over \$2 million in previously unrecognized federal funds now flow to the state for use in our economy.

We strongly support this effort to create a special fund so that the Department of Human Services is able to continue to provide adequate benefits to disabled Hawai'i residents without having to seek continued Emergency Appropriation.

Thank you for this opportunity to provide testimony.

Sincerely,

M. Nalani Fujimori Kaina Executive Director

The Legal Aid Society of Hawaii (Legal Aid) is the only legal service provider with offices on every island in the state, and in 2012 provided legal assistance to almost 10,000 Hawai'i residents in the areas of consumer fraud, public assistance, family law, the prevention of homelessness, employment, protection from domestic violence, and immigration. Our mission is to achieve fairness and justice through legal advocacy, outreach and education for those in need.



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