

HB 1432 HD2

Measure Title:	RELATING TO THE INTERIM ASSISTANCE REIMBURSEMENT SPECIAL FUND.
Report Title:	Human Services; Interim Assistance Reimbursement Special Fund (\$)
Description:	Establishes the Interim Assistance Reimbursement Special Fund into which reimbursements received from the Social Security Administration will be deposited for state-funded financial assistance payments and programs to assist individuals to qualify for supplemental security income. (HB1432 HD2)
Companion:	
Package:	None
Current Referral:	HSH, WAM
Introducer(s):	JORDAN, BELATTI, CREAGAN, MORIKAWA, OSHIRO

TESTIMONY BY WESLEY K. MACHIDA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEE ON HUMAN SERVICES AND HOUSING
ON
HOUSE BILL NO. 1432, H.D. 2

March 19, 2015

RELATING TO THE INTERIM ASSISTANCE REIMBURSEMENT SPECIAL FUND

House Bill No. 1432, H.D. 2, establishes the Interim Assistance Reimbursement Special Fund into which shall be deposited reimbursements received from the Social Security Administration on behalf of recipients who have been retroactively approved for supplemental security income after receiving State-funded interim assistance payments.

The Department of Budget and Finance (B&F) defers to the Department of Human Services regarding the technical issues and merits of the bill. However, as a matter of general policy, B&F does not support the creation of any special fund which does not meet the requirements of Section 37-52.3 of the HRS. Special or revolving funds should: 1) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries of the program; 2) provide an appropriate means of financing for the program or activity; and 3) demonstrate the capacity to be financially self-sustaining. In regards to House Bill No. 1432, H.D. 2, it is difficult to determine whether there is a clear nexus between the benefits sought and the source of funding, and whether the fund will be self-sustaining.

I encourage the Legislature to review the fiscal and operational plan for this fund to ensure that it does conform to the requirements of Section 37-52.3, HRS.