



STATE OF HAWAII  
DEPARTMENT OF HUMAN SERVICES  
P. O. Box 339  
Honolulu, Hawaii 96809-0339

February 11, 2015

**MEMORANDUM**

TO: The Honorable Dee Morikawa, Chair  
House Committee on Human Services

FROM: Rachael Wong, DrPH, Director

SUBJECT: **H.B. 1459 – RELATING TO HUMAN SERVICES**

Hearing: Thursday, February 12, 2015, 10:00 a.m.  
Conference Room 329, State Capitol

**PURPOSE:** The purposes of H.B. 1459 is to clarify the recovery of over issuances of supplemental nutrition assistance program assistance, and that recovery of all public assistance overpayments shall be made to the maximum extent allowable by federal regulations.

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) appreciates the intent of this bill, however, the purpose of this bill is unclear and perhaps duplicative. The DHS already has the authority to collect the maximum overpayments allowable by law and already does so in those cases where possible.

The overpayments recovery requirements for the Supplemental Nutrition Assistance Program (SNAP) are outlined under the applicable provisions of Public Law 104-134, the Debt Collection Improvement Act (DCIA) of 1996. Under the DCIA, U.S. Treasury was given the primary responsibility to act as the federal collection agent for delinquent debts. As such, Treasury now has the overall responsibility for the federal tax refund offset program (FTROP);

the Federal salary offset program (FSOP), and administrative offset. The requirements under DCIA apply to SNAP recipient claims and the referral of these claims for federal collection purposes. SNAP benefits are 100% federally funded and SNAP claims are considered federal debts. Participation in FTROP and FSOP is mandated by the amended Food Stamp Act of 1977 at 7 U.S.C. §2022(b)(1)(C). The Act provides standards for establishing and collecting SNAP recipient claims.

Also, the U. S. Department of Agriculture, Food and Nutrition Service, informed DHS that it is not necessary to change state statutes to reference SNAP instead of “food stamps.”

Thank you for the opportunity to provide comments on this bill.