
A BILL FOR AN ACT

RELATING TO SOCIAL SERVICES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the State provides a
2 personal needs allowance for individuals residing in adult
3 foster homes, adult residential care homes, domiciliary homes,
4 and other long-term care facilities. The personal needs
5 allowance allows recipients to purchase necessary items such as
6 clothing, toiletries, and meals and covers other day-to-day
7 living expenses.

8 The legislature further finds that when the federal
9 government first established the needs allowance in 1974, the
10 allowance was set at \$25 per month, which was then subsequently
11 increased to \$30 in 1998. In 2007, the legislature enacted Act
12 96, Session Laws of Hawaii 2007, which increased the monthly
13 needs allowance to \$50 to better accommodate the increase in the
14 cost of living. However, the allowance has not been increased
15 since then. The legislature believes that the personal needs
16 allowance must be increased in order to effectively support
17 individuals residing in long-term care facilities.



1 Accordingly, the purpose of this Act is to increase the
2 personal needs allowance from \$50 to \$75.

3 SECTION 2. Section 346-53, Hawaii Revised Statutes, is
4 amended by amending subsection (c) to read as follows:

5 "(c) The director, pursuant to chapter 91, shall determine
6 the rate of payment for domiciliary care, including care
7 provided in licensed developmental disabilities domiciliary
8 homes, community care foster family homes, and certified adult
9 foster homes, to be provided to recipients who are eligible for
10 federal supplementary security income or public assistance, or
11 both. The director shall provide for level of care payment as
12 follows:

13 (1) Beginning on July 1, [~~2008,~~] 2024, for adult
14 residential care homes classified as facility type I,
15 licensed developmental disabilities domiciliary homes
16 as defined under section 321-15.9, community care
17 foster family homes as defined under section 321-481,
18 and certified adult foster homes as defined under
19 section 321-11.2, the state supplemental payment shall
20 not exceed [~~\$651.90,~~] \$676.90; and



1 (2) Beginning on July 1, [~~2008~~,] 2024, for adult
2 residential care homes classified as facility type II,
3 the state supplemental payment shall not exceed
4 [~~\$759.90~~.] \$ _____.

5 If the operator does not provide the quality of care
6 consistent with the needs of the individual to the satisfaction
7 of the department, the department may remove the recipient to
8 another facility.

9 The department shall handle abusive practices under this
10 section in accordance with chapter 91.

11 Nothing in this subsection shall allow the director to
12 remove a recipient from an adult residential care home or other
13 similar institution if the recipient does not desire to be
14 removed and the operator is agreeable to the recipient
15 remaining, except where the recipient requires a higher level of
16 care than provided or where the recipient no longer requires any
17 domiciliary care."

18 SECTION 3. Section 346D-4.5, Hawaii Revised Statutes, is
19 amended to read as follows:



1 **"§346D-4.5 Needs allowance; waiver program individuals.**

2 (a) There may be established a monthly needs allowance for
3 individuals living in:

- 4 (1) Adult residential care home type I and type II
5 facilities;
- 6 (2) Licensed developmental disabilities domiciliary homes
7 as defined in section 321-15.9;
- 8 (3) Community care foster family homes as defined in
9 section 321-481;
- 10 (4) Certified adult foster homes as defined in section
11 321-11.2;
- 12 (5) Domiciliary care as defined in section 346-1;
- 13 (6) A nursing facility as defined in section 346E-1; or
- 14 (7) A community-based residence as part of the residential
15 alternatives community care program.

16 (b) The needs allowance may be administered by the
17 department of human services to pay for clothing and other
18 personal miscellaneous needs, such as bus fare, personal postage
19 costs, haircuts, and other costs of day-to-day living.

20 (c) The State's supplemental payment for a needs allowance
21 under subsection (a) shall be increased by an amount necessary



1 to bring the allowance up to [~~\$50~~] \$75 per month. The payment
2 under this section shall be afforded to an individual
3 notwithstanding that the individual is incapacitated; provided
4 that the moneys may be spent on behalf of the client, with a
5 written accounting, by the operator of the residence or
6 facility.

7 (d) The needs allowance is not intended to replace or
8 affect the funds received from the federal supplemental security
9 income program and shall be supplemental to any funds provided
10 to a recipient by the federal supplemental security income
11 program.

12 (e) The operators of facilities listed under subsection
13 (a) shall pay for generic toiletries, including toilet paper,
14 hand soap, and paper towels; linens, including bedding, sheets,
15 blankets, towels, and bath towels; and meals and snacks for
16 outings; provided that operators shall not use the needs
17 allowance without the consent of the individual receiving the
18 needs allowance; provided further that an operator shall
19 maintain records of when an individual authorizes the use of
20 their needs allowance that describes how the money from the
21 needs allowance was spent.



1 (f) The needs allowance shall apply to persons otherwise
2 eligible to receive monthly income pursuant to state law or
3 rules and federal laws or regulations and is not intended to
4 affect the classifications of, or number of, persons eligible to
5 receive such funds.

6 (g) The department of human services shall perform an
7 annual review of the monthly needs allowance to ensure the
8 allowance provides adequate coverage. The department of human
9 services shall submit a report of corrections or improvements to
10 the monthly needs allowance, including any proposed legislation,
11 to the legislature no later than twenty days prior to the
12 convening of the regular session of 2025, and every regular
13 session thereafter."

14 SECTION 4. In accordance with section 9 of article VII of
15 the Hawaii State Constitution and sections 37-91 and 37-93,
16 Hawaii Revised Statutes, the legislature has determined that the
17 appropriations contained in Act 164, Regular Session of 2023,
18 and this Act will cause the state general fund expenditure
19 ceiling for fiscal year 2024-2025 to be exceeded by
20 \$ or per cent. This current declaration takes
21 into account general fund appropriations authorized for fiscal



1 year 2024-2025 in Act 164, Regular Session of 2023, and this Act
2 only. The reasons for exceeding the general fund expenditure
3 ceiling are that:

4 (1) The appropriation made in this Act is necessary to
5 serve the public interest; and

6 (2) The appropriation made in this Act meets the needs
7 addressed by this Act.

8 SECTION 5. There is appropriated out of the general
9 revenues of the State of Hawaii the sum of \$ or so
10 much thereof as may be necessary for fiscal year 2024-2025 to
11 provide a monthly needs allowance to individuals eligible
12 pursuant to section 346D-4.5, Hawaii Revised Statutes.

13 The sum appropriated shall be expended by the department of
14 human services for the purposes of this Act.

15 SECTION 6. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

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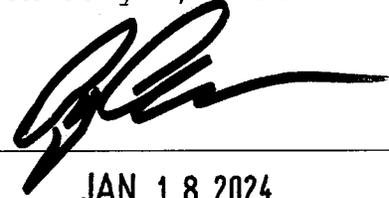


H.B. NO. 1770

1 SECTION 7. This Act shall take effect on July 1, 2024.

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INTRODUCED BY: _____



JAN 18 2024



H.B. NO. 1770

Report Title:

Kupuna Caucus; Needs Allowance; Long-term Care Facilities;
Expenditure Ceiling; Appropriation

Description:

Increases the monthly needs allowance from \$50 to \$75. Clarifies that the needs allowance is not intended to replace or affect funds received from the federal supplemental security income program. Requires certain long-term care facility operators to pay for generic toiletries, linens, and meals and snacks. Requires the department of human services to perform an annual review of the needs allowance. Declares that the general fund expenditure ceiling is exceeded. Appropriates funds.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

