

STAND. COM. REP. NO. 3401

Honolulu, Hawaii

APR 01 2024

RE: S.C.R. No. 188  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committee on Health and Human Services, to which was referred S.C.R. No. 188 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HUMAN SERVICES TO IMMEDIATELY CEASE INTERCEPTING SOCIAL SECURITY PAYMENTS FOR CHILDREN IN FOSTER CARE,"

begs leave to report as follows:

The purpose and intent of this measure is to request the Department of Human Services to immediately cease intercepting Social Security payments for children in foster care and deposit the payments into savings accounts that may be accessed by foster children when they return to their families, and adoption age out of foster care.

Your Committee received testimony in support of this measure from the Democratic Party of Hawai'i Stonewall Caucus and two individuals.

Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that roughly ten percent of foster children in the United States are entitled to social security benefit payments either because their parents have died or because they have a physical or mental disability that would leave them in poverty without financial assistance. Under federal law, these



social security payments are considered the property of the child beneficiary, and for child beneficiaries who are minors, the United States Social Security Administration (SSA) generally appoints representative payees to receive and manage the payments on behalf of the child. Although child welfare service agencies are least preferred as representative payees, many state child welfare agencies, including the Hawaii Department of Human Services, apply to become the representative payee of child beneficiaries in foster care and seize their social security payments purportedly to cover the costs of their care, often without notifying the child or other persons who are more preferred as the child's representative payee. This practice is detrimental to foster children who are social security beneficiaries, as it denies them money that belongs to them and deprives them of the opportunity to accumulate savings that may aid in their transition out of foster care. Accordingly, this measure requests the Department of Human Services to immediately cease this practice and instead set aside the social security payments into saving accounts for the foster children to access upon their exit from the foster system.

Your Committee notes the testimony of the Department of Human Services stating that the social security payments it receives is used for the child's current maintenance needs, such as food, clothing, shelter, medical care, and personal comfort items, as their education-related needs; that the Department has stopped using all forms of social security payments (supplemental security income and retirement, survivors, and disability insurance benefits) it receives, for foster board reimbursement to the State since July 1, 2023, as the Legislature provided funding during the Regular Session of 2023; and that all moneys it receives on behalf of a child is kept in a child specific trust account until the child exits foster care, at which time the moneys are returned to the SSA who will distribute the conserved funds to the individual or to the next representative payee, if required.

Your Committee has amended this measure by:

- (1) Replacing the phrase "immediately cease" with "continue to cease" to note that the Department of Human Services is not intercepting social security payments at this time; and



(2) Amending its title to reflect its amended purpose.

As affirmed by the record of votes of the members of your Committee on Health and Human Services that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 188, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 188, S.D. 1.

Respectfully submitted on  
behalf of the members of the  
Committee on Health and Human  
Services,



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JOY A. SAN BUENAVENTURA, Chair



