
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. Act 96, Session Laws of Hawaii 2007,
12 increased the monthly needs allowance to \$50 to better
13 accommodate the increase in the cost of living. However, the
14 allowance has not been increased since then. The legislature
15 believes that the personal needs allowance must be increased to
16 effectively support individuals residing in long-term care
17 facilities.



1 Accordingly, the purpose of this Act is to:

2 (1) Increase the personal needs allowance from \$50 to \$75;

3 (2) Clarify that the needs allowance is not intended to
4 replace or affect funds received from the federal
5 supplemental security income program;

6 (3) Require certain long-term care facility operators to
7 pay for generic toiletries, linens, and meals and
8 snacks;

9 (4) Clarify the individuals who are eligible to receive
10 the needs allowance; and

11 (5) Require the department of human services to perform an
12 annual review of the needs allowance and report to the
13 legislature.

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

16 "(c) The director, pursuant to chapter 91, shall determine
17 the rate of payment for domiciliary care, including care
18 provided in licensed developmental disabilities domiciliary
19 homes, community care foster family homes, and certified adult
20 foster homes, to be provided to recipients who are eligible for
21 federal [~~supplementary~~] supplemental security income or public



1 assistance, or both. The director shall provide for level of
2 care payment as follows:

3 (1) Beginning on July 1, [~~2008~~] 2024, for adult
4 residential care homes classified as facility type I,
5 licensed developmental disabilities domiciliary homes
6 as defined under section 321-15.9, community care
7 foster family homes as defined under section 321-481,
8 and certified adult foster homes as defined under
9 section 321-11.2, the state supplemental payment shall
10 not exceed [~~\$651.90~~] \$ _____; and

11 (2) Beginning on July 1, [~~2008~~] 2024, for adult
12 residential care homes classified as facility type II,
13 the state supplemental payment shall not exceed
14 [~~\$759.90~~] \$ _____.

15 If the operator does not provide the quality of care
16 consistent with the needs of the individual to the satisfaction
17 of the department, the department may remove the recipient to
18 another facility.

19 The department shall handle abusive practices under this
20 section in accordance with chapter 91.



1 Nothing in this subsection shall allow the director to
2 remove a recipient from an adult residential care home or other
3 similar institution if the recipient does not desire to be
4 removed and the operator is agreeable to the recipient
5 remaining, except where the recipient requires a higher level of
6 care than provided or where the recipient no longer requires any
7 domiciliary care."

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

10 "**§346D-4.5 Needs allowance; waiver program individuals.**

11 (a) There may be established a monthly needs allowance for
12 individuals living in:

- 13 (1) Adult residential care home type I and type II
14 facilities;
- 15 (2) Licensed developmental disabilities domiciliary homes
16 as defined in section 321-15.9;
- 17 (3) Community care foster family homes as defined in
18 section 321-481;
- 19 (4) Certified adult foster homes as defined in section
20 321-11.2;
- 21 (5) Domiciliary care as defined in section 346-1;



1 (6) A nursing facility; or

2 (7) A community-based residence as part of the residential
3 alternatives community care program.

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

8 (c) The State's supplemental payment for a needs allowance
9 under subsection (a) shall be increased by an amount necessary
10 to bring the allowance up to [~~\$50~~] \$75 per month. The payment
11 under this section shall be afforded to an individual
12 notwithstanding that the individual is incapacitated; provided
13 that the moneys may be spent on behalf of the client, with a
14 written accounting, by the operator of the residence or
15 facility.

16 (d) The needs allowance is not intended to replace or
17 affect the funds received from the federal supplemental security
18 income program and shall be supplemental to any funds provided
19 to a recipient by the federal supplemental security income
20 program.



1 (e) The operators of facilities identified in subsection
2 (a) shall pay for generic toiletries, including toilet paper,
3 hand soap, and paper towels; linens, including bedding, sheets,
4 blankets, towels, and bath towels; and meals and snacks for
5 outings; provided that operators shall not use the needs
6 allowance without the consent of the individual receiving the
7 needs allowance; provided further that an operator shall
8 maintain records of when an individual authorizes the use of the
9 individual's needs allowance that describes how the money from
10 the needs allowance was spent.

11 (f) The needs allowance shall apply to persons otherwise
12 eligible to receive monthly income pursuant to state law or
13 rules and federal laws or regulations and is not intended to
14 affect the classifications of, or number of, persons eligible to
15 receive such funds.

16 (g) The department of human services shall perform an
17 annual review of the monthly needs allowance to ensure the
18 allowance provides adequate coverage. The department of human
19 services shall submit a report of corrections or improvements to
20 the monthly needs allowance, including any proposed legislation,
21 to the legislature no later than twenty days prior to the



1 convening of the regular session of 2025 and every regular
2 session thereafter."

3 SECTION 4. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$ or so
5 much thereof as may be necessary for fiscal year 2024-2025 to
6 provide a monthly needs allowance to individuals eligible
7 pursuant to section 346D-4.5, Hawaii Revised Statutes.

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

10 SECTION 5. In accordance with section 9 of article VII of
11 the Hawaii State Constitution and sections 37-91 and 37-93,
12 Hawaii Revised Statutes, the legislature has determined that the
13 appropriations contained in H.B. No. , will cause the state
14 general fund expenditure ceiling for fiscal year 2024-2025 to be
15 exceeded by \$ or per cent. In addition, the
16 appropriation contained in this Act will cause the general fund
17 expenditure ceiling for fiscal year 2024-2025 to be further
18 exceeded by \$ or per cent. The combined total
19 amount of general fund appropriations contained in only these
20 two Acts will cause the state general fund expenditure ceiling
21 for fiscal year 2024-2025 to be exceeded by



1 \$ or per cent. The reasons for exceeding the
2 general fund expenditure ceiling are that:

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

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

7 SECTION 6. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

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

10

INTRODUCED BY: _____



JAN 23 2024



H.B. NO. 2558

Report Title:

Needs Allowance; Long-term Care Facilities; Department of Human Services; Appropriation; Expenditure Ceiling

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. Clarifies the individuals who are eligible to receive the needs allowance. Requires the Department of Human Services to perform an annual review of the needs allowance and report to the Legislature. Appropriates funds.

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