

A Bill for an Act Relating to Public Assistance.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 346-53, Hawaii Revised Statutes, is amended by amending subsection (b) to read:

“(b) The maximum basic needs allowance which the department shall initially pay a recipient considering income and resources in accordance with this chapter shall be \$100 plus an additional \$44 for each additional person whose needs have been taken into account by the department. Beginning January 1, 1978 and on or before January 1 of each odd-numbered year thereafter, the director shall submit a report to the legislature indicating the amount of additional moneys required to implement a cost of living increase for the adjusted basic needs allowance equal to the annual percentage increase, rounded to the nearest dollar:

- (1) In the average weekly wage in covered employment as computed by the director of labor and industrial relations pursuant to section 383-22, or
- (2) In the consumer price index for Hawaii as computed by the United States Department of Labor, whichever is lowest.

The director shall request that such amount be reflected in that portion of the executive budget relating to the department. If additional funds are appropriated for a cost of living adjustment, then the adjusted basic needs allowance shall be adjusted to reflect the appropriation.

The department shall pay a recipient the maximum basic needs allowance if the department determines that his needs are not reduced by his income or resources.”

SECTION 2. Section 346-54, Hawaii Revised Statutes, is amended to read as follows:

“**Sec. 346-54 Report to the legislature.** On or before January 1 of odd-

numbered years the director shall submit a report to the legislature concerning the adequacy of the basic needs allowance and shelter allowance established by this chapter.

In addition, should general fund expenditures for money and medical payment increase at a rate greater than the rate of increase in general fund tax revenues in any fiscal year, the director shall report such increases to the legislature and make cost control recommendations that will control increases in general fund public assistance expenditures. Cost control recommendations shall include, but not be limited to, the following: a) changes in eligibility standards, b) adjustments to the basic needs allowance, c) adjustments to the maximum shelter allowance, d) alternatives to money payments for meeting basic needs, and e) adjustments to medical payment fees and levels of service.”

SECTION 3. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material, or the underscoring.*

SECTION 4. This Act shall take effect upon its approval.

(Approved May 23, 1978.)

*Edited accordingly.