

A Bill for an Act Relating to Public Assistance Payments (Constitutional Amendments of Article IX, Section 3).

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

**SECTION 1. Purpose.** The purpose of this bill is to implement Article IX, Section 3 of the Constitution of the State of Hawaii as amended by the Hawaii Constitutional Convention of 1978 and pertaining to Public Assistance Payments.

**SECTION 2.** Section 346-1, Hawaii Revised Statutes, is amended by amending the definitions of “money payments” and “public assistance” to read as follows:

“Financial assistance” means public assistance except for payments for medical care and social service payments, including funds received from the federal government.

“Public assistance” means financial assistance to or for the benefit of persons whom the department has determined to be without sufficient means of support to maintain a standard consistent with this chapter, payments to or on behalf of such persons for medical care, and social service payments as described under the Social Security Act.”

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

“(h) Any recipient may petition the department for additional assistance when his need is due to emergencies caused by seismic wave, tsunami, hurricane, volcanic eruption, typhoon, earthquake, flood, or fire determined by the director to have caused losses as to require and justify additional assistance from the State. In addition any recipient may petition the department for additional assistance for the replace-

ment or repair of household appliances. Such additional assistance shall be paid on an emergency basis, as determined by the department, to meet the cost of replacing or repairing household appliances. If the cost of repairs of household appliances is less than one-half the unit cost of the item, the department shall pay for the cost of repairs. If the cost of repairs of household appliances is more than one-half the unit cost of the item, the department shall replace the household appliance; provided the replacement cost shall not exceed \$350. For the purposes of this subsection "household appliances" means a refrigerator or a range.

The department shall establish an emergency fund, not to exceed one per cent of total financial assistance from state funds required by this chapter in the previous fiscal year. The director shall adopt rules pursuant to chapter 91 for determining in which cases to grant lump sum payments to recipients petitioning for additional assistance."

SECTION 4. 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 financial assistance 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: (1) changes in eligibility standards, (2) adjustments to the basic needs allowance, (3) adjustments to the maximum shelter allowance, (4) alternatives to financial assistance for meeting basic needs, and (5) adjustments to medical payment fees and levels of service."

SECTION 5. Chapter 346, Hawaii Revised Statutes, is amended by substituting the words "financial assistance" for the words "money payments" or similar terms.

SECTION 6. Statutory material to be repealed is bracketed. New material is underscored.\*

SECTION 7. This Act shall take effect upon its approval.

(Approved May 16, 1979.)

\*The text has been edited pursuant to HRS §23G-16.5, authorizing omission of the brackets, bracketed material, and underscoring.