

ACT 96

S.B. NO. 1182

A Bill for an Act Relating to Needs Allowance.

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

SECTION 1. The Social Security Administration currently requires \$30 of monthly benefits be set aside for social security recipients who reside in certain institutional care settings. The \$30 is used for the individual's needs. The personal needs allowance is intended to pay for clothing, toiletries, bus fare, personal postage costs, snacks, and other incidental expenses of day-to-day living.

In 1974, the federal government established the minimum needs allowance for a nursing home resident to be \$25, which was raised in 1988 to \$30, which is still in effect today. In 2004, only eleven states remained at \$30, with the other states having since raised their minimum allowance. If the needs allowance was pegged to the Consumer Price Index with 1974 as a baseline, it would have taken \$115.19 in 2004 to match the buying power of \$25 in 1974.

Raising the needs allowance may require the use of general funds. However, the legislature finds that the \$30 amount should be increased to allow residents of long-term care facilities and community care home residents to enjoy a minimally acceptable daily quality of life.

The purpose of this Act is to enable the department of human services to establish a needs allowance for persons residing in community care homes and other long-term care facilities.

SECTION 2. Chapter 346D, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§346D- Needs allowance; waiver program individuals. (a) There may be established a monthly needs allowance for individuals living in:

- (1) Adult residential care home type I and type II facilities;
- (2) Licensed developmental disabilities domiciliary homes as defined in section 321-15.9;
- (3) Community care foster family homes as defined in section 346-331;
- (4) Certified adult foster homes as defined in section 321-11.2;
- (5) Domiciliary care as defined in section 346-1;
- (6) A nursing facility as defined in section 346E-1; or
- (7) A community-based residence as part of the residential alternatives community care program.

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

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

SECTION 3. New statutory material is underscored.¹

SECTION 4. This Act shall take effect on July 1, 2007.

(Approved May 24, 2007.)

Note

1. Edited pursuant to HRS §23G-16.5.