

SB

124

COMMITTEE REPORT
SENATE

FURTHER: Finance

2/8/79

Date:

3/9/79

Mr. President:

The Committee on HEALTH, EDUCATION AND SOCIAL SERVICES has had SB 124 relating to general relief assistance

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Nettie Fabiankamp No Rec

Mike Colletta No Rec

Artis Sturgis

Meds substantial amendment

Glenn Hoberg
CHAIRMAN

DO PASS IF AMENDED

SB 124 "Cabinet planning to ^{S. HESS 79-80} provide relief assistance and providing for an effective date."

By Tilline

Introduced 2-8-79

Logged 2-8-79

Referred Finance

Comm. meeting 3-9-79

" action (2) no rec.

COLLETTA
FABENKAMP

(2) passed amended - taken floor May @ 8:30 AM. 3-12-79

HARKNEY
STURBUICKSKI

~~Open report~~
HESS

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPT. OF HEALTH AND SOCIAL SERVICES

DIVISION OF PUBLIC ASSISTANCE

POUCH H-07 - JUNEAU 99811

March 14, 1979

The Honorable Glenn Hackney
Alaska State Senate
Pouch V
Juneau, Alaska 99811

Dear Senator Hackney:

During departmental testimony of Senate Bill 124 you requested that the Division of Public Assistance develop a public service employment (PSE) program which could be inserted into the state's General Relief Program.

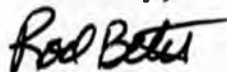
Attached please find an addendum to our initial position paper of Senate Bill 124 describing such a PSE program and related costs.

We have considered this proposal very carefully and feel it reflects a reasonable approach to the work issue. Admittedly we have very little experience in the administration of a work placement program, but this proposal and our cost estimates reflect our understanding of what the PSE program would entail as well as what it would cost.

I hope this is of some value to your committee's efforts to resolve the work issues raised in Senate Bill 124.

Please let me know if I may be of any further assistance.

Sincerely,


Rod Betit
Director

RB:as

Attachment

ADDENDUM TO
POSITION PAPER
ON
SENATE BILL 124

The Division of Public Assistance, Department of Health & Social Services shall have the responsibility for the administration of the Public Service Employment program. General provisions of this program shall include:

(1) DESIGNATION OF PSE PARTICIPANTS:

All able-bodied recipients shall be required to meet the requirements of the PSE program unless exempted under one of the following provisions:

- (a) persons physically or mentally disabled
- (b) minor children living in the home of the recipient
- (c) persons age 60 years of age or older
- (d) persons who have the primary responsibility or the care of a minor child or other disabled person.

(2) WORK REQUIREMENTS:

(a) If unemployed for reasons other than voluntary separation without good cause or separation for misconduct within the prior 90 days, the individual shall register for work both in the PSE project and through the Department of Labor ES registration process.

(b) Each individual in (a) above must actively seek gainful employment and or not refuse to accept employment when offered.

(c) If entitled to UI benefits must apply for and exhaust all of those benefits. If the amount of those UI benefits are less than the specific need for which the applicant is applying, supplemental assistance may be granted to meet that need providing that the amount of assistance does not exceed the maximum amount of \$80 per person per month and providing UI income is within GR standards.

(3) DISQUALIFICATION PERIODS:

(a) Applicants or recipients who refuse or fail to comply with any of the requirements or conditions of the GR program shall be disqualified or denied assistance. The disqualification or denial of one member of the household shall exclude the entire assistance unit from the program.

(b) Disqualification Periods - Non-compliance of the GR work requirements will result in disqualification and exclusion from the program for a period of 6 months. These six month disqualification periods shall include:

1. Quitting a job without good cause
2. Being fired from a job for misconduct
3. Refusing or failing to exhaust UI benefits or any other prior resource available to the individual.
4. Refusing an offer of bonafide employment.
5. Refusing to participate in the PSE program.

At the end of the disqualification period the individual must reapply and satisfy all requirements in order to receive GR benefits.

(4) AVAILABILITY OF WORK PROJECTS:

During period of time when the PSE bank does not have enough projects to assign all recipients to a project, the recipient shall be required to report to the PSE Coordinator and be available for assignment for a thirty day period. At the end of the thirty day period, if the recipient has not been assigned to a project, he will have met his work assignment requirement.

(5) JOB OFFER WHILE PARTICIPATING IN PSE:

If an individual is engaged in a PSE project and is notified that he has a bonafied offer of employment the offer of employment will have presedence over the work project and no penalty for noncompletion of the PSE project will be enforced.

(6) ABSENCE FROM PSE ASSIGNMENT:

If an individual fails to complete or appear for the PSE project, the individual shall be given an opportunity to complete the project, without penalty, providing that the days missed are completed within seven days from the first infraction. Days missed shall include all excused or unexcused absentees. Failure to make up the day(s) missed for unexcused absences shall result in disqualification from future eligibility to the program for a period of six months.

(7) WORK PROJECTS:

The following criteria shall be considered in establishing PSE projects:

1. Provide jobs which, to the extent possible, utilizes, nurtures and sustains the productive capacities of the individual.
2. Accomplishes work which, otherwise may not be undertaken due to the absence of regular positions and or funds.
3. Is of a nature which entails little or no expense to the State.

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

February 7, 1979

MEMORANDUM

SUBJECT: Workfare in Hawaii and Alaska (W.O. #6173)

TO: The Honorable Clem Tillion

FROM: Sharman Haley
Policy Analyst 

In conjunction with your request for draft legislation modeled after Hawaii's General Assistance and work program, we have done some preliminary analysis as to the impact this sort of program modification might have in Alaska.

Eligibility

The State of Hawaii chose to restrict eligibility for its General Assistance program to eliminate aid to able-bodied childless people between the ages of 18 and 55. There is no data readily available regarding what percentage of Alaska's General Relief (GR) recipients fall into precisely this category; however a year ago it was estimated that approximately 25% of Alaska's GR recipients are employable singles without children. We therefore might anticipate approximately a one-fourth reduction in the General Relief rolls if such a restriction was adopted in Alaska.

Last year's GR appropriation included legislative intent that the department adopt regulations excluding childless employable singles and childless couples of which one member is employable from GR eligibility. These regulations have been drafted and circulated for public comment. Alaska legal services has challenged the department's authority to restrict eligibility without statutory authorization, and so the department is waiting for an attorney general's opinion prior to adopting and implementing these regulations. The program is still aiding all needy persons.

The portion of the Hawaii law requiring evidence from a physician that a person is disabled or unable to work may be problematic in Alaska. A physical exam in this state often costs more than the \$80 maximum GRA grant. Furthermore, in many areas of the state there is a shortage of physicians. It is precisely in these areas that temporary and permanent disabilities are frequent.

TO: SENATE HESS COMMITTEE - SENATOR HACKNEY
FROM: CHRIS BEARDSLEY, 1412 ANNAPOLIS, ANCHORAGE, AK
279-7151

PLEASE PASS SB124. THIS BILL IS LONG OVER-DUE. A FAIR DAY'S WORK
FOR A FAIR DAY'S PAY. EOM

Job Search

Hawaii's General Assistance program requires that every able-bodied recipient engage in active job search. They must visit at least three employers each week, and as verification the employer must sign a card stating that he or she was contacted and no job was available. In small communities with few employers, the employers become very irritated with the weekly requests for signatures when there is little likelihood that there will be a job opening in the near future. This would be a problem in rural areas of Alaska as well. The Alaska Unemployment Insurance Benefits Program has long dealt with these problems and has essentially exempted people in remote areas from job search requirements which would be unreasonable in their situation.

Temporary Work Assignments

The Hawaii General Assistance program provides eligible single people a maximum grant of \$122 per month, plus a maximum housing allowance of \$175 per month. Family units receive more aid. This monthly assistance continues as long as the person remains eligible. Able-bodied recipients must register for and accept a temporary work assignment in which they work off the value of their grant. The number of hours of work required is determined by dividing the total grant by the minimum wage. Clients with a work requirement of less than one day (a grant less than \$21) are exempted from work. A single able-bodied recipient receiving a maximum grant of \$297 would be required to work more than 100 hours each month.

Alaska's General Relief program as it is currently administered is an emergency aid program in which the client must apply and demonstrate a specific need. Aid may be granted up to a maximum amount of \$80 per person for one month, usually in the form of a vendor payment for rent or another essential item. General Relief Assistance is not normally on-going from month to month, though the client may reapply each month. Using Hawaii's temporary work assignment formula, an able-bodied Alaska recipient receiving a maximum grant would be required to work about 25 hours each month, or one-quarter of the hours of work under Hawaii's program.

Public Work Projects

The temporary work assignments under Hawaii's General Assistance program are coordinated at the county level. Each client is personally interviewed in order to match the client's skills and ability with an available work project. Projects are established in schools, offices, parks, and highway crews. Each recipient works under the supervision of a regular public employee. Most clients can be placed without difficulty.

but the few who cannot be placed immediately are placed in a pending file, and not penalized. Clients are encouraged to seek their own work projects. In many rural areas of Alaska, it may be prohibitively expensive to arrange face to face interviews with clients or unfeasible to arrange supervision public work projects as is done in Hawaii.

Job Barriers

Hawaii does not provide day care assistance or transportation to clients on temporary work assignments. These are the responsibility of the clients. Clients are provided up to \$33 per month in addition to their welfare assistance to cover work related expenses. Since the large majority of Hawaii's clients are single and over 55, and most others are two parent families in which only one parent is required to work, child care is not a particular problem. The same would presumably be true for Alaska if similar eligibility restrictions were imposed. However, transportation may be a major problem in many areas of Alaska which are either remote, or not adequately served by public transportation.

Conclusions

It is likely that some clients in remote areas of Alaska would have to be exempted from work requirements if this legislation were enacted. The work program might be feasible in urban areas of the state, but even there the overhead of administering the program may not be worth the relatively few hours of work required of the average recipient. Restricting eligibility however appears to be a relatively simple mechanism for reducing General Relief expenditures.

It should also be noted that any modification of eligibility requirements or imposition of work requirements in General Relief Assistance would also apply to the General Relief-Medical (GRM) program, as the statute is currently constructed. Thus, the attached bill would eliminate able-bodied childless people between the ages of 18 and 54 from eligibility for General Relief-Medical assistance, and would impose work requirements on able-bodied recipients of medical assistance. Medical bills can be very high and the number of hours of work required of a GRM recipient could amount to months, or even years.

SH:dh

POSITION PAPER

ON

SENATE BILL NO. 124

For an Act entitled: "An Act relating to general relief assistance; and providing for an effective date."

I. Historical Perspective

The issue of whether single employables and childless couples should receive General Relief assistance was first explored during the 1978 Legislative Session. This was precipitated by an increasing expenditure level in GR and expectation that it would continue into FY79 and FY80. While this issue was being considered by the Legislature, DHSS was moving to finalize new state regulations redefining "need" under the GR Program.

In March 1978 DHSS' new regulations became final. These new regulations did not delete single employables and childless couples. Rather, the regulations continued the GR Program's broad coverage but required that the applicant's need be immediate and desperate. If rent assistance was sought, an eviction notice had to be produced. If utilities were at issue, a shutoff notice was necessary before aid could be granted. The financial effect of this change in the GR Program was not clear at the time the 1978 session ended. Consequently, the FY79 GR appropriation was reduced from the Governor's amended request of \$1,016.3 to \$823.3 and Legislative intent was inserted to delete single employables and childless couples. The FY79 GR Program reduction was based on an estimate of potential savings given by DHSS.

In September 1978 DHSS published proposed regulations to delete single employables and childless couples to comply with Legislative intent. Alaska Legal Services comments were received and reviewed by the Attorney General's office. Alaska Legal Services made it clear that court action would be initiated if DHSS proceeded to adopt these regulations. An Attorney General's opinion lead DHSS to conclude that it did not have authority to remove these two groups.

At the present time, these two groups are still being served under the GR Program. In spite of this, DHSS expects to lapse approximately \$200.0 of its FY79 appropriation for GR. This, when added to the \$193.0 initially deleted by the Legislature from the Governor's amended FY79 request, results in an expected savings of \$393.0 for FY79. This savings resulted not by deleting single employables and childless couples, but by redefining how "needy" or "desperate" an applicant had to be in order to receive assistance.

II. Analysis of SB 124

It appears clear that the legislative intent of SB 124 is to limit general relief assistance payments by restricting individuals from

participating in the General Relief program. However, there are several critical technical areas which were not addressed in the bill. The following brief summary will address of few of those major areas which would create administrative as well as financial burdens upon the State.

The bill was patterned after Hawaii's General Assistance program. As their program is relatively new, there is no data readily available regarding the success of Hawaii's program as a means of reducing costs or providing meaningful employment.

- (1) The word "assistance" in AS 47.25.120 - AS 47.25.300 is defined in section 300 to include medical assistance. The bill appears to have been drafted without specific regard to this fact. If it is the intent to eliminate emergency medical coverage for persons who do not meet the requirements of this bill, that specific intent should be stated.

(2) Job Search

The requirements for Public Service Employment in Hawaii requires an individual to contact three perspective employees each week and have the prospective employer verify in writing that those contracts were made. In small communities with few employers, this would create a burden upon employers when there is little liklihood that there would be a job opening. The Alaska Unemployment Benefits program has long dealt with these problems and has essentially exempted people in remote areas from job search requirements.

- (3) The bill establishes eligiblity for individuals who are disabled and the determination of disability is to be made by a physician. The cost of this medical exam would in most cases exceed the amount of the assistance granted unless specifically covered under GR Medical.

III. Analysis of Current Fairbanks Situation

How many new ones

At the present time thre are the following kinds of needy citizens applying for GRA in the Fairbanks area/DPA:

- (1) Persons who have dependent children in their homes, single individuals, and who have lived in Alaska several years, quit their job(s) to take a pipeline job and now cannot find employment.
- (2) Persons who have dependent children in their homes, single individuals and couples who came to Alaska to work on the pipeline and at the completion of the pipeline construction have not been able to find employment.
- (3) In addition to the above people applying for GR, we have noted an increase in the number of applicants who have lived in Alaska from a few to many years but who have never worked on the pipeline. These same people have had jobs but are not now working because of a slow down in the Fairbanks economy and resultant lay off.

Information gathered by the North Star Borough Information Office supports the fact that there are many unemployed people in Fairbanks actively seeking jobs. This office also predicts few new jobs (seasonal) during the summer months (1979). This office also predicts that most of the unemployed people who wished to leave Alaska have already left and that there will be few people leaving in the future. The present economy, coupled with the construction of the gas pipeline not having any appreciable effect with regards to jobs until 1981-82, indicates that unemployed persons will have to continue depending heavily on GR if no other help can be obtained. It is of interest to note too that the number of people on unemployment compensation is decreasing while the number of people who have exhausted unemployment compensation benefits is increasing.

IV. Departmental Position on SB 124

DHSS believes it has significantly impacted GP expenditures through redefinition of the degree of need which must be present before assistance is rendered. This is an approach which is not present in Hawaii's GR program as a cost-containment factor. DHSS feels its current approach to reducing GR expenditures is more equitable than that offered by SB 124 which is patterned after the Hawaii program. It is clear to DHSS that only person' in desperate situations are currently receiving aid under the GR Program, and that many of them are long-time Alaskans who are simply unwillingly displaced from the job market with no hope of employment. DHSS feels this need is real and should be met so long as costs remain within that amount considered affordable by the Legislature, as is presently the case in GR for FY79.

However, if the desire of the Legislature is to delete these two groups, the Department has a number of technical problems with SB 124 which we would like to discuss with the bills draftors. The Department will make every effort to comply with the Legislature's desires in this matter in time to effect the necessary changes by July 1, 1979.

Rod Betit 3/9/79
Rod Betit, Director Date
Division of Public Assistance

Helen D. Beirne 3/9/79
Helen D. Beirne, Commissioner Date
Department of Health & Social Services

SB 124 - SECTIONAL BREAKDOWN

SECTION 1(1) - Because of excessive welfare costs & burden on taxpayer, general relief assistance (GRA) must be provided only to:

- (1) needy citizens who are unable to work & those with dependent children; and
- (2) a WORK REQUIREMENT must accompany state GRA for able-bodied recipients.

SECTION 1(2) - Purpose of Act: Limit GRA payments to persons:

- (1) 55 years old
- (2) disabled
- (3) have dependent children in homes
- (4) unable to provide sufficient support for themselves or dependents.

*
SECTION 2(a) - To receive GRA under this program: must conform with those conditions listed in section 1(2) plus not be receiving other assistance under this chapter and must be resident of state.

SECTION 2(b) - Criteria outlined for determining residency.

Section 2(c) - Spells out controlling conditions for those 55 & over to be eligible for program, e.g. unemployed, actively seeking employment, not refusing employment, etc.

SECTION 2(d) - Spells out controlling conditions for those disabled to be eligible, e.g. determined to be needy, unable to meet requirements established by FEDS SSI program, unable to engage in substantial gainful employment.

SECTION 2(e) - Says individuals with children are eligible for GRA if they meet above criteria.

SECTION 2(f) - Additional condition for receiving GRA: if individual is physically fit, able to work, and employable, SHALL, accept an assignment to work on PUBLIC WORK PROJECTS as directed by the Dept of H/SS.

Section 2(g) - Individuals disqualified for failure to comply, shall be excluded from GRA for a period not longer than 12 months.

SECTION 2(h) - Designates H/SS to adopt regs to enforce this section & establish criteria/standards for conditions and requirements of GRA.

SECTION 3(a) - Assigns H/SS the responsibility for providing public service employment of public works projects to individuals receiving GRA and UI compensation benefits.

SECTION 3(b) - Designates H/SS to adopt regs to carry out purpose of this section, e.g.

- (1) GRA recipient may not displace state/muni/individual working on contractual basis employee
- (2) period of work cannot exceed the # of hours which, when multiplied by the prevailing r-te of compensation for the work, equals the amount of GRA provided.
- (3) no discrimination
- (4) a person refusing without justification is ineligible for GRA.

SECTION 4 - DEFINITIONS SECTION

SECTION 5 - GRANDFATHER CLAUSE - individual receiving GRA on effective date who would otherwise be excluded shall continue to receive assistance as long as he meets the requirements of this ACT.

SECTION 6 - This ACT takes effect July 1, 1979.

* those between the ages of 18 & 55, not having children, i.e. and employable, would be restricted from GRA.

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A-14

Thursday, Jan. 18, 1979

Another Approach to Welfare Problem

Gov. Ariyoshi has encountered constitutional objections to his proposal to impose residency requirements for welfare benefits in order to discourage indigent Mainlanders from coming to the Islands.

But he got the Legislature to approve a different approach — denying general assistance welfare payments to persons who are able-bodied, less than 55 years old, and with no dependent children.

And to the governor's satisfaction, the law is serving the purpose of removing newcomers from the welfare rolls.

In the first six months since the law was enacted, 875 cases have been dropped from the rolls, for a saving of \$963,000. The number of general assistance payments being approved has dropped by 66 percent; applications received have dropped 46 percent.

The greatest impact has been on persons from the Mainland who have been in Hawaii six months or less. These dropped from 42 percent of the total of general assistance recipients last May to 31 percent in October.

The governor hails these results and says Island taxpayers "should not be further burdened with welfare payments to those who come to Hawaii without either a prospect of employment or even a desire for employment."

The new law seems to have skirted the constitutional objection to a residency requirement while achieving much the same effect. It shows that many strategies can be explored to achieve the goal of controlling population growth.

Eventually the courts may uphold residency requirements for welfare benefits and government employment as necessary to cope with excessive population growth. But that will take time.

In the meantime, another approach is working.

AB 124

SECTION 4. This Act shall take effect upon its approval.
(Approved May 23, 1978.)

ACT 103

S.B. NO. 1782-78

A Bill for an Act Relating to Public Assistance.

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

SECTION 1. Findings and Purpose. (a) The legislature finds that welfare costs have been rising precipitously in recent years, at a rate more than twice that for general fund tax revenues. As a result, providing funds for welfare has often meant a curtailment of other much-needed State programs and services. The legislature further finds that the limited financial resources of the State necessitates some curtailment of public assistance benefits.

(b) The purpose of this Act is to limit general assistance payments to persons who are disabled, or are at least 55 years of age, or have dependent children in their homes, and who are unable to provide sufficient support for themselves or their dependents.

SECTION 2. Section 346-71, Hawaii Revised Statutes, is amended to read:

"Sec. 346-71 General assistance. (a) The department of social services and housing shall administer and provide public assistance to eligible persons who are disabled, or are at least 55 years of age, or have dependent children in the home not otherwise provided for under this chapter, and who are unable to provide sufficient support for themselves or those dependent upon them, provided that such persons are bona fide residents of this State.

For purposes of determining whether persons seeking assistance are bona fide residents of this State, the department of social services and housing shall consider, but is not limited to considering, the following factors: enrollment and receipt of welfare benefits from another jurisdiction; physical presence in the State; maintenance of a place of residence in the State; the availability of furnishings and household and personal effects sufficient to lead a reasonable person to conclude that the place of residence is more than a public accommodation; qualification as to residence for purposes of voting in the State; change in vehicle operation license; vehicle registration; enrollment of children in local schools; bank accounts in this State or any other jurisdiction.

(b) A disabled person between eighteen and sixty-five years of age shall be eligible for general assistance, if he:

- (1) Is determined to be needy in accordance with standards established by this chapter and the rules and regulations of the department;
- (2) Is unable to meet the requirements established by the Federal Supplemental Security Income Program or its successor agency; and
- (3) Is unable to engage in any substantial gainful employment because of a physical or mental impairment determined and certified by a licensed physician. "Substantial" as the term is used herein shall mean at least 30 hours of work per week.

ACT 103

Any person determined to be eligible under this subsection may be referred to any appropriate State agency for vocational rehabilitation services and shall be required to accept said services as a further condition of eligibility for the receipt of general assistance under this section. In addition to the foregoing, any person determined to be eligible under this subsection may be required to seek employment, and participate in public work projects as described in section 346-31, and in public employment projects as described in section 346-102.

- (c) A person with children shall be eligible for general assistance if:
- (1) He is unemployed for reasons other than voluntary separation without good cause or for misconduct; and
 - (2) He is actively and diligently seeking gainful employment; and
 - (3) He has not refused to accept employment when offered; and
 - (4) He has registered and is available for work as required by section 383-29; and
 - (5) He has exhausted all of his benefits under chapter 383; provided, however, should the benefits of any person under chapter 383 be less than those for which he would otherwise be eligible hereunder, he shall be eligible for supplementary general assistance; and provided further, that this provision of exhaustion shall not apply to those persons not entitled by law to such benefits.

"Children" as used in this section shall mean a person who:

- (1) Is ineligible for and is unable to obtain aid under a federal assistance program; and
- (2) Is in need, and has not sufficient income or other resources to provide health care and support to maintain a standard consistent with this chapter; and
- (3) Has not attained the age of eighteen years; provided, however, that a child between the ages of eighteen and twenty-one years shall be eligible for assistance under this section, if he or she:
 - (A) Is regularly attending high school to complete requirements leading to a high school diploma or its equivalent; or
 - (B) Is employed part-time and is enrolled at least half-time in an organized program of vocational or technical training designed to fit the child for gainful employment; or
 - (C) Is employed part-time and is enrolled at least half-time in a local college or university; and
- (4) Is living in a home with his father, mother, grandfather, grandmother, brother, sister, stepfather, stepmother, uncle, aunt, first cousin, nephew, niece, or hanai parents in a place of residence maintained by such relative as his own home; or is living in a family home or institution conforming to the standards fixed by the department.

A child for the purposes of this section does not include an unborn child or fetus.

(d) A person who is at least 55 years of age shall be eligible for general assistance if:

- (1) He is unemployed for reasons other than voluntary separation without good cause or for misconduct; and

- (2) He is actively and diligently seeking gainful employment; and
- (3) He has not refused to accept employment when offered; and
- (4) He has registered and is available for work as required by section 383-29; and
- (5) He has exhausted all of his benefits under chapter 383; provided, however, should the benefits of any person under chapter 383 be less than those for which he would otherwise be eligible hereunder, he shall be eligible for supplementary general assistance; and provided further, that this provision of exhaustion shall not apply to those persons not entitled by law to such benefits.

(e) The department shall further require in addition to the conditions and requirements stated in subsections (c) and (d), that persons who are physically fit, able to work, and employable shall as a condition to receiving general assistance, register for work on public work projects and accept an assignment to work under section 346-31 or accept such employment as may be offered to them by the department under section 346-102 or by an employer. The term "public work projects" includes any kind of labor under the department of accounting and general services of the State or the department of public works of any county, or under any other department, board, commission, or agency of the State or any county. All such agencies may employ persons registering under this section. Payment for the work shall not be made from the funds of the agency employing such persons but shall be made from the funds of the department. The department shall promulgate such rules and regulations as it deems necessary to enforce and carry out this section.

(f) Applicants and recipients shall be required to satisfy all applicable provisions of this section. Recipients disqualified for failure to comply with any of the requirements under the provisions of this section shall be excluded from general assistance for a period not to exceed twelve months.

(g) The department shall by rules adopted pursuant to chapter 91, establish criteria and standards for the foregoing conditions and requirements."

SECTION 3. A person receiving general assistance on the effective date of this Act who would otherwise be excluded by the provisions of this Act shall continue to receive general assistance provided he satisfies the requirements under section 346-71(e) and the department finds that:

- (1) He is unemployed for reasons other than voluntary separation without good cause or for misconduct; and
- (2) He is actively and diligently seeking gainful employment; and
- (3) He has not refused to accept employment when offered; and
- (4) He has registered and is available for work as required by section 383-29; and
- (5) He has exhausted all of his benefits under chapter 383; provided, however, should the benefits of any person under chapter 383 be less than those for which he would otherwise be eligible hereunder, he shall be eligible for supplementary general assistance; and provided further, that this provision of exhaustion shall not apply to those persons not entitled by law to such benefits.

ACT 104

Such person shall also be subject to provisions of subsection 346-71(f).

SECTION 4. Severability. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 5. 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 6. This Act shall take effect upon its approval.
(Approved May 23, 1978.)

ACT 104

S.B. NO. 1469

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-

*Edited accordingly.