

#### EXECUTIVE CHAMBERS

HONOLULU

LINDA LINGLE

July 12, 2006

The Honorable Robert Bunda, President and Members of the Senate Twenty-Third State Legislature State Capitol, Room 003 Honolulu, Hawaii 96813

GOV. MSG. NO. 860

Dear Mr. President and Members of the Senate:

Re: House Bill No. 2258 HD1 SD2 CD1

On July 11, 2006, House Bill No. 2258, entitled "A Bill for an Act Relating to Human Services" became law without my signature, pursuant to Section 16 of Article III of the Constitution of the State of Hawaii.

House Bill No. 2258 requires legislative appropriation for the expenditure of Temporary Assistance to Needy Families program (TANF) funds received by the State before the Department of Human Services can expend the funds. The measure also appropriates monies for the Department of Human Services' Chore Services Program and the Department of Education's Even Start Program.

This measure is objectionable because it restricts the Executive Branch's flexibility in managing human services programs funded under the temporary assistance to needy families program and appropriates TANF funds in a manner that is illegal under federal law.

Although State departments can only expend funds appropriated by the Legislature, for many years the Legislature has felt comfortable appropriating TANF money as a lump sum. However, the Legislature now intends to interject itself into the Executive Branch decisions regarding the use of these funds. This will restrict the Executive Branch's flexibility in setting priorities for human services programs and could adversely impact the neediest citizens of Hawaii these funds are meant to help.

House Bill No. 2258 also appropriates \$1,191,058 in general funds in fiscal year 2006-2007 for the Department of Human Services' Chore Services Program and \$600,000 in temporary assistance to needy families funds in fiscal year 2006-2007 for the Department of Education's Hawaii Even Start Family Literacy Program. Even Start is an educational program funded by the Unites States Department of Education. As such, it cannot be funded by temporary assistance to needy families funds as these funds are prohibited by federal requirements from funding education programs.

The Honorable Robert Bunda, President and Members of the Senate Page 2

However, it is important that the Department of Human Services receive the approximately \$1.2 million dollars in supplemental funding for the Chore Services Program to maintain services to its existing clients.

For the foregoing reasons, I allowed House Bill No. 2258 to become law as Act 302 effective July 11, 2006 without my signature.

Sincerely,

LINDA LINGLE

H.B. NO. H.D. 1 S.D. 2 C.D. 1

# A BILL FOR AN ACT

RELATING TO HUMAN SERVICES.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1	PART I
2	SECTION 1. Chapter 346, Hawaii Revised Statutes, is
3	amended by adding a new section to be appropriately designated
4	and to read as follows:
5	"§346- Expenditure of temporary assistance for needy
6	families funds. (a) Funds received by the State under the
7	temporary assistance for needy families program block grant
8	shall be subject to appropriation by the legislature and shall
9	not be expended by the department without a legislative
10	appropriation.
11	(b) No later than thirty days before the convening of each
12	regular session, the department shall submit to the legislature:
13	(1) A plan, developed in consultation with temporary
14	assistance for needy families program heads of
15	households and other community members familiar with
16	such families' situations and needs, that:

1		(A)	Details how the funds received under the
2			temporary assistance for needy families program
3			shall be expended; and
4		<u>(B)</u>	Describes the desired outcomes from the
5			expenditure of the funds;
6	(2)	<u>A re</u>	port about the continuing strategic planning
7		proc	ess, with the assistance of the financial
8		assi	stance advisory council, to:
9		(A)	Involve the community in planning for the future
10			use of temporary assistance for needy families
11			funds; and
12		<u>(B)</u>	Set annual goals and outcomes for existing and
13			new programs receiving temporary assistance for
14			needy families funds,
15		purs	uant to section 346-14.5;
16	•	and	
17	(3)	A re	port on the effectiveness and level of success in
18		reac	hing the desired outcomes under:
19		<u>(A)</u>	Paragraphs (1) and (2); and
20		<u>(B)</u>	Programs from the previous two fiscal years using
21			temporary assistance for needy families funds.

1	(c) During the interim following the regular session of				
2	2006 and thereafter when the legislature is not in session, the				
3	department may receive and expend federal funds related to the				
4	temporary assistance for needy families program pursuant to				
5	chapter 346-8, subject to approval by the governor, which are				
6	supplemental to the temporary assistance for needy families				
7	block grant or are obtained competitively under the temporary				
8	assistance for needy families program. The department shall				
9	submit to the legislature a report no later than twenty days				
10	before the convening of each regular session regarding:				
11	(1) Any funds received and expended;				
12	(2) The purposes for which the funds were expended; and				
13	(3) Outcomes achieved,				
14	pursuant to this section."				
15	PART II				
16	SECTION 2. There is appropriated out of the general				
17	revenues of the State of Hawaii the sum of \$1,191,058 or so much				
18	thereof as may be necessary for fiscal year 2006-2007 for the				
19	purpose of supporting and expanding the chore services program				
20	to provide high-quality elder care and services to Hawaii's				
21	elderly and disabled populations.				

- 1 The sum appropriated shall be expended by the department of
- 2 human services for the purposes of this section.
- PART III
- 4 SECTION 3. The legislature finds that the Hawaii Even
- 5 Start Family Literacy Program is a human services program that
- 6 assists at-risk parents and their young children in low-income
- 7 communities. The program promotes literacy and assists with job
- 8 preparation, education, and parenting skills.
- 9 The purpose of this part is to appropriate funds to support
- 10 the Hawaii Even Start Family Literacy Program.
- 11 SECTION 4. There is appropriated out of the federal
- 12 temporary assistance for needy families program funds the sum of
- 13 \$600,000 or so much thereof as may be necessary for fiscal year
- 14 2006-2007 for the Hawaii Even Start Family Literacy Program.
- The sum appropriated shall be expended by the department of
- 16 human services for the purposes of this section.
- 17 PART IV
- 18 SECTION 5. This Act does not affect rights and duties that
- 19 matured, penalties that were incurred, and proceedings that were
- 20 begun, before its effective date.
- 21 SECTION 6. New statutory material is underscored.
- 22 SECTION 7. This Act shall take effect on July 1, 2006.

#### HB No. 2258 HD 1 SD 2 CD 1

## THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 4, 2006 Honolulu, Hawaii

We hereby certify that the foregoing Bill on this day passed Final Reading in the House of Representatives of the Twenty-Third Legislature of the State of Hawaii, Regular Session of 2006.

Calvin K.Y. Say

Speaker

House of Representatives

Patricia Mau-Shimizu Chief Clerk House of Representatives

### THE SENATE OF THE STATE OF HAWAII

Date: May 4, 2006 Honolulu, Hawaii

We hereby certify that the foregoing Bill on this day passed Final Reading in the Senate of the Twenty-Third Legislature of the State of Hawaii, Regular Session of 2006.

Robert Bunda

President of the Senate

Paul Kawaguchi Clerk of the Senate