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March 16, 2009

**LATE**  
Testimony

MEMORANDUM

TO: The Honorable John Mizuno, Chair  
House Human Services Committee

FROM: Lillian B. Koller, Director

SUBJECT: **S.B. 1666 S.D. 2 - RELATING TO TEMPORARY ASSISTANCE  
FOR NEEDY FAMILIES**

Hearing: Monday, March 16, 2009; 8:00 a.m.  
Conference Room 329, State Capitol

**PURPOSE:** The purpose of S.B. 1666, S.D. 2 is to detail how the Legislature directs the Department of Human Services to spend Temporary Assistance for Needy Families (TANF) funds, emphasizing child care services, work program contracts and related support services, the prevention of out-of-wedlock pregnancies, the purchase of service contracts for child protective services, information system maintenance, and administrative costs. Transfers portions of TANF funds to the social services block grant and child care development fund.

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) supports the intent of this measure and have the following comments and recommendation:

The original intent of this bill (including S.D. 1) was to allow for the Legislature's authorization of the spending of TANF federal funds, specifically, the

annual TANF Block Grant as well as the TANF reserve or carryover funds, which will enable DHS to provide clients with monthly benefits to assist them with such essentials as food, shelter, and child care, as well as employment support and work-training and dependency diversion and poverty prevention.

The S.D. 2, however, has clearly departed from the original intent and now proposes to authorize the spending of the TANF federal funds appropriated under the American Recovery and Reinvestment Act of 2009 (ARRA).

Unfortunately, at this time and likely for the remainder of this Legislative session, it is uncertain exactly whether DHS will meet any or all of the triggers for additional TANF funds under the ARRA, how much, if any, additional TANF funds would come to DHS during the biennium 2010-2011, and whether DHS will be able to meet the State match and other requirements. These specifics are being developed by the TANF federal regulatory agency with input from DHS and other state TANF agencies as well as TANF advocates and other stakeholders.

Therefore, DHS respectfully urges the Legislature to focus on what is already known – i.e., the Legislature can use S.B. 1666 to direct DHS on how to spend the annual TANF Block Grant of \$98.9 million as well as the TANF reserve and carryover funds of \$78.6 million during the ensuing biennium.

By contrast, the Legislature's appropriation of ARRA funds should be handled through the State budget bill (HB 200) through a TANF ceiling increase related to the ARRA in the broadest possible terms in order to provide maximum flexibility for DHS to earn and use any and all additional TANF funds that may become available under the ARRA.

The ARRA funds should not be made subject to any specific budget provisos,

caps or restrictions on expenditure because DHS does not know, and likely will not know until after this Legislative session ends, the specifics of how and whether and what DHS can access of additional TANF funds under the ARRA. The intent of the ARRA is to expeditiously provide much-needed stimulus, in the form of additional benefits, programs and services, to needy families during these tough economic times.

If any proviso, cap or restriction is placed on the expenditure of the ARRA funds, it will hamstring the Department's effort to ensure that our most vulnerable and needy families are afforded a much-needed enhanced safety net, which is the very intent of the Federal stimulus law.

Accordingly, DHS recommends amending Section(s) 3, 5, 7, 9, 11, 12, 13, and 14 by deleting the following language:

"Of the federal fund appropriations in the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, for the department of human services",

and replacing it by the following language:

"Provided that of the federal fund appropriation for the department of human services, there is appropriated federal temporary assistance for needy families funds".

This proposed amendment will allow the Legislature to direct the appropriation of the annual TANF Block Grant and the TANF reserve and carryover funds for the benefits, programs and services for our needy families.

Thank you for the opportunity to provide comments on this bill.



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March 16, 2008

Representative John Mizuno, Chair House Human Services  
Members of the House Human Services Committee  
Hawaii State Capitol,  
Honolulu, Hi 96813

**LATE**  
**Testimony**

Re: SB 1666, SD2 Relating to TANF

Dear Representative:

I am Gail Breakey, Director of the Hawaii Family Support Institute testifying in support of SB1666, SD2. This bill provides funding a number of important human service programs aimed at reducing child abuse and neglect, teen pregnancy, enhancing youth development

In previous hearings of the Senate Health and Human Services Committee, many of us have testified as to the need for the Healthy Start and Enhanced Healthy Start programs related to the safety and well being of high risk infants. We have also testified as to the effectiveness and cost benefit of the Healthy Start program, as well as the fact that Enhanced Healthy Start does not replace the functions of Healthy Start..

It is clear that these funds will be sorely needed as part of the effort to maintain these services for the highest risk families. The Healthy Start service providers are in the process of developing a more streamlined assessment process and services that will actually intervene with only the highest risk families, those with scores of 40 and over on the Family Stress Checklist, who according to the validation study on the Checklist have a 50% likelihood of becoming a child welfare case. Adequate funding will be needed to insure eminence of quality services, and to be able to serve families on most areas of the Neighbor Islands.

Thank you very much for your serious consideration of allocating these funds to the Healthy Start and Enhanced Healthy Start programs, as well as to other needed services.

Sincerely,

A handwritten signature in cursive script that reads "Gail Breakey".

Gail Breakey, Executive Director,  
The Hawaii Family Support Institute

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