A BILL FOR AN ACT

RELATING TO TEMPORARY ASSISTANCE TO NEEDY FAMILIES.

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

1	PART I
2	SECTION 1. The legislature finds that Hawaii is
3	experiencing difficult economic times. In February 2008, a
4	respected local economist commented that "[a]ll indications now
5	are for slower growth in Hawaii's near future." Real impacts
6	were felt soon after this prediction. On March 31, 2008, after
7	sixty-one years of operation in Hawaii, Aloha Airlines announced
8	the discontinuation of its passenger service; on April 2, 2008,
9	ATA Airlines announced the discontinuation of all operations
10	after twenty-five years of operation; and on April 5, 2008,
11	Molokai Properties Limited (commonly known as Molokai Ranch),
12	with a history spanning one hundred forty-five years, announced
13	its closure.
14	On March 30, 2008, one of Hawaii's daily newspapers noted,
15	"Hawaii mortgage delinquencies ratcheted up last year and show
16	no indication of slowing this year as economic growth weakens,
17	inflation remains strong and home values flatten." The

- 1 department of business, economic development, and tourism, in
- 2 its latest estimates, anticipates a twelve per cent decrease in
- 3 total visitor arrivals, as compared to April of last year.
- 4 Clearly, these are difficult economic times. Hawaii's
- 5 economy has slowed substantially, and the State's expenditure of
- 6 temporary assistance for needy family funds must not only
- 7 account for this economic slowdown, but maintain reserves in
- 8 anticipation of a continued financial slump.
- 9 The legislature finds that the best approach is to continue
- 10 supplying essential health, education, employment, and economic
- 11 assistance while preserving an adequate reserve of funds. While
- 12 maintaining cash reserves for future expenditures is imperative,
- 13 so too is the continued provision of necessary support programs.
- 14 Such programs will yield healthier families, more productive
- 15 employees, and eventually, a stronger economy.
- 16 PART II
- 17 SECTION 2. The legislature finds that it is imperative to
- 18 continue providing monthly cash benefits to families for food,
- 19 clothing, shelter, and other essential items. Monthly cash
- 20 benefits are not only imperative for a family's survival, but
- 21 also act as a stimulus to the local economy when spent by
- 22 recipients at local retail outlets.

HB739 HD1 HMS 2009-1839



- 1 SECTION 3. There is appropriated out of the federal 2 temporary assistance for needy families funds the sum of 3 \$34,000,000 or so much thereof as may be necessary for fiscal 4 year 2009-2010 and the same sum or so much thereof as may be 5 necessary for fiscal year 2010-2011 to provide monthly cash 6 benefits to eligible families, and for associated eligibility determination costs. 7 8 The sums appropriated shall be expended by the department 9 of human services for the purposes of this part. 10 PART III 11 SECTION 4. The legislature finds that a state's economy 12 depends upon its human capital. Having a self-sufficient, 13 dependable, and strong workforce is imperative to a robust 14 economy. Programs that train individuals for jobs, help with job-search activities, and encourage financial self-sufficiency 15 16 result in a better-developed workforce and less strain on 17 support services and benefit programs. There is appropriated out of the federal 18 19 temporary assistance for needy families funds the sum of
- necessary for fiscal year 2010-2011 for obtaining job training

\$26,000,000 or so much thereof as may be necessary for fiscal

year 2009-2010 and the same sum or so much thereof as may be



20

21

- 1 contracts and providing related support services for temporary
- 2 assistance for needy families and temporary assistance for other
- 3 needy families recipients.
- 4 The sums appropriated shall be expended by the department
- 5 of human services for the purposes of this part.
- 6 PART IV
- 7 SECTION 6. The legislature finds that Hawaii has the
- 8 twelfth highest teenage pregnancy rate in the nation. Young
- 9 women who become pregnant before the age of eighteen have a
- 10 higher risk of poverty, dropping out of high school, and
- 11 experiencing preterm births. The department of human services
- 12 contracted with The Lewin Group to determine the effectiveness
- 13 of teenage pregnancy education programs provided under temporary
- 14 assistance to needy families grants. The report found a
- 15 positive impact on program participants, and the state's general
- 16 trend is a decrease in teenage pregnancy rates.
- 17 The legislature finds that it is necessary for the
- 18 well-being of Hawaii's youth to educate them about the effects
- 19 of teenage pregnancy and the importance of educated decision-
- 20 making through programs funded by the temporary assistance for
- 21 needy families.

- 1 SECTION 7. There is appropriated out of federal temporary
- 2 assistance for needy families funds the sum of \$12,000,000 or so
- 3 much thereof as may be necessary for fiscal year 2009-2010 and
- 4 the same sum or so much thereof as may be necessary for fiscal
- 5 year 2010-2011 for programs to prevent and reduce the incidence
- 6 of out-of-wedlock pregnancies and encourage the formation and
- 7 maintenance of two-parent families.
- 8 The sums appropriated shall be expended by the department
- 9 of human services for the purposes of this part.
- 10 PART V
- 11 SECTION 8. The legislature finds that it is important for
- 12 a family's emotional and economic well-being to maintain the
- 13 family unit. This can be achieved when families are provided
- 14 with the resources and education they need to be self-sufficient
- 15 and stable.
- 16 SECTION 9. There is appropriated out of the federal
- 17 temporary assistance for needy families program funds the sum of
- 18 \$7,000,000 or so much thereof as may be necessary for fiscal
- 19 year 2009-2010 and the same sum or so much thereof as may be
- 20 necessary for fiscal year 2010-2011 for purchase of service
- 21 contracts for child welfare services.

- The sums appropriated shall be expended by the department
 of human services for the purposes of this part.

 PART VI

 SECTION 10. The legislature finds that it is necessary to
- 5 provide for greater flexibility in the expenditure of temporary
- 6 assistance for needy families funds to best address the State's
- 7 unique needs. Transferring program funds to block grant
- ${f 8}$ programs will permit more freedom in the expenditure of program
- 9 funds, thus allowing for programs that are tailored to best
- 10 service Hawaii's needy population. The legislature further
- 11 finds that it is necessary to provide adequate funds for the
- 12 implementation of temporary assistance for needy families
- 13 programs.
- 14 SECTION 11. There is appropriated out of the federal
- 15 temporary assistance for needy families funds the sum of
- 16 \$19,800,000 or so much thereof as may be necessary for fiscal
- 17 year 2009-2010 and the same sum or so much thereof as may be
- 18 necessary for fiscal year 2010-2011 to be transferred to the
- 19 child care development fund.
- The sums appropriated shall be expended by the department
- 21 of human services for the purposes of this part.

- 1 SECTION 12. There is appropriated out of the federal
- 2 temporary assistance for needy families funds the sum of
- 3 \$9,890,000 or so much thereof as may be necessary for fiscal
- 4 year 2009-2010 and the same sum or so much thereof as may be
- 5 necessary for fiscal year 2010-2011 to be transferred to the
- 6 social services block grant.
- 7 The sums appropriated shall be expended by the department
- 8 of human services for the purposes of this part.
- 9 SECTION 13. There is appropriated out of the federal
- 10 temporary assistance for needy families funds the sum of
- 11 \$5,000,000 or so much thereof as may be necessary for fiscal
- 12 year 2009-2010 and the same sum or so much thereof as may be
- 13 necessary for fiscal year 2010-2011 for information systems
- 14 costs related to the temporary assistance for needy families
- 15 program.
- 16 The sums appropriated shall be expended by the department
- 17 of human services for the purposes of this part.
- 18 SECTION 14. There is appropriated out of the federal
- 19 temporary assistance for needy families funds the sum of
- 20 \$9,500,000 or so much thereof as may be necessary for fiscal
- 21 year 2009-2010 and the same sum or so much thereof as may be
- 22 necessary for fiscal year 2010-2011 for the costs of

HB739 HD1 HMS 2009-1839



- 1 administering the temporary assistance for needy families
- 2 program.
- 3 The sums appropriated shall be expended by the department
- 4 of human services for the purposes of this part.
- 5 PART VII
- 6 SECTION 15. This Act shall take effect on July 1, 2009.

Report Title:

TANF Funds; Allocation of Expenditures

Description:

Details how the legislature will spend TANF funds, emphasizing child care services, job training and related support services, the prevention of out-of-wedlock pregnancies, the purchase of service contracts for child welfare services, information system maintenance, and administration costs. Transfers portions of TANF funds to the social services block grant and child care development fund. (HB739 HD1)