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# A BILL FOR AN ACT

RELATING TO TEMPORARY ASSISTANCE TO NEEDY FAMILIES.

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

1           SECTION 1. The legislature finds that Hawaii is  
2   experiencing difficult economic times. In February 2008, a  
3   respected local economist commented that "[a]ll indications now  
4   are for slower growth in Hawaii's near future". Real impacts  
5   were felt soon after this prediction. On March 31, 2008, after  
6   sixty-one years of operation in Hawaii, Aloha Airlines announced  
7   the discontinuation of its passenger service; on April 2, 2008,  
8   ATA Airlines announced the discontinuation of all operations  
9   after twenty-five years of operation; and on April 5, 2008,  
10   Molokai Properties Limited (commonly known as Molokai Ranch),  
11   with a history spanning one hundred forty-five years, announced  
12   its closure.

13           On March 30, 2008, one of Hawaii's daily newspapers noted,  
14   "Hawaii mortgage delinquencies ratcheted up last year and show  
15   no indication of slowing this year as economic growth weakens,  
16   inflation remains strong and home values flatten". The  
17   department of business, economic development, and tourism, in

1 its latest estimates, anticipates a twelve per cent decrease in  
2 total visitor arrivals, as compared to April 2008.

3 Clearly, these are difficult economic times. Hawaii's  
4 economy has slowed substantially, and the State's expenditure of  
5 temporary assistance for needy families funds must not only  
6 account for this economic slowdown, but maintain reserves in  
7 anticipation of a continued financial slump.

8 The legislature finds that the best approach is to continue  
9 supplying essential health, education, employment, and economic  
10 assistance while preserving an adequate reserve of funds. While  
11 maintaining cash reserves for future expenditures is imperative,  
12 so too is the continued provision of necessary support programs.  
13 These programs will yield healthier families, more productive  
14 employees, and, eventually, a stronger economy.

15 **PART I**

16 SECTION 2. The legislature finds that it is imperative to  
17 continue providing monthly cash benefits to families for food,  
18 clothing, shelter, and other essential items. Monthly cash  
19 benefits are not only imperative for a family's survival, but  
20 also act as a stimulus to the local economy when spent by  
21 recipients at local retail outlets.

1 SECTION 3. Of the federal fund appropriations in the  
2 American Recovery and Reinvestment Act of 2009, Pub. L. 111-5,  
3 for the department of human services, there is appropriated  
4 federal temporary assistance for needy families funds in the sum  
5 of \$34,000,000 or so much thereof as may be necessary for fiscal  
6 year 2009-2010 and the same sum or so much thereof as may be  
7 necessary for fiscal year 2010-2011 to provide assistance to  
8 needy families so that children may be cared for in their own  
9 homes or in the homes of relatives, and for associated  
10 eligibility determination costs.

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

13 **PART II**

14 SECTION 4. The legislature finds that a state's economy  
15 depends upon its human capital. Having a self-sufficient,  
16 dependable, and strong workforce is imperative to maintain a  
17 robust economy. Programs that train individuals for jobs, help  
18 with job-search activities, and encourage financial self-  
19 sufficiency result in a better-developed workforce and less  
20 strain on support services and benefit programs.

21 SECTION 5. Of the federal fund appropriations in the  
22 American Recovery and Reinvestment Act of 2009, Pub. L. 111-5,

1 for the department of human services, there is appropriated  
2 federal temporary assistance for needy families funds in the sum  
3 of \$26,000,000 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 for obtaining work program  
6 contracts and providing support services for temporary  
7 assistance for needy families and temporary assistance for other  
8 needy families recipients.

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

11 **PART III**

12 SECTION 6. The legislature finds that Hawaii has the  
13 twelfth highest teenage pregnancy rate in the nation. Young  
14 women who become pregnant before the age of eighteen have a  
15 higher risk of poverty, dropping out of high school, and  
16 experiencing preterm births. The department of human services  
17 contracted with The Lewin Group to determine the effectiveness  
18 of teenage pregnancy education programs provided under temporary  
19 assistance for needy families grants. The report found a  
20 positive impact on program participants, and the State's general  
21 trend is a decrease in teenage pregnancy rates.





1 SECTION 11. Of the federal fund appropriations in the  
2 American Recovery and Reinvestment Act of 2009, Pub. L. 111-5,  
3 for the department of human services, there is appropriated  
4 federal temporary assistance for needy families funds in the sum  
5 of \$19,800,000 or so much thereof as may be necessary for fiscal  
6 year 2009-2010 and the same sum or so much thereof as may be  
7 necessary for fiscal year 2010-2011 that shall be transferred to  
8 the child care development fund.

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

11 SECTION 12. Of the federal fund appropriations in the  
12 American Recovery and Reinvestment Act of 2009, Pub. L. 111-5,  
13 for the department of human services, there is appropriated  
14 federal temporary assistance for needy families funds in the sum  
15 of \$9,890,000 or so much thereof as may be necessary for fiscal  
16 year 2009-2010 and the same sum or so much thereof as may be  
17 necessary for fiscal year 2010-2011 that shall be transferred to  
18 the social services block grant.

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

21 SECTION 13. Of the federal fund appropriations in the  
22 American Recovery and Reinvestment Act of 2009, Pub. L. 111-5,

1 for the department of human services, there is appropriated  
2 federal temporary assistance for needy families funds in the sum  
3 of \$5,000,000 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 for information systems  
6 costs related to the temporary assistance for needy families  
7 program.

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

10 SECTION 14. Of the federal fund appropriations in the  
11 American Recovery and Reinvestment Act of 2009, Pub. L. 111-5,  
12 for the department of human services, there is appropriated  
13 federal temporary assistance for needy families funds in the sum  
14 of \$9,500,000 or so much thereof as may be necessary for fiscal  
15 year 2009-2010 and the same sum or so much thereof as may be  
16 necessary for fiscal year 2010-2011 for the costs of  
17 administering the temporary assistance for needy families  
18 program.

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

21 **PART VI**

22 SECTION 15. This Act shall take effect on July 1, 2010.

**Report Title:**

TANF Funds; Allocation of Expenditures

**Description:**

Details how the legislature will spend 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 administration costs. Transfers portions of TANF funds to the social services block grant and child care development fund. (SD2)