



STATE OF HAWAII  
DEPARTMENT OF HUMAN SERVICES  
P. O. Box 339  
Honolulu, Hawaii 96809-0339

February 29, 2012

**MEMORANDUM**

TO: The Honorable David Y. Ige, Chair  
Senate Committee on Ways and Means

FROM: Patricia McManaman, Director

SUBJECT: **S.B. 2178, S.D. 1 - RELATING TO HUMAN SERVICES**

Hearing: Wednesday, February 29, 2012; 9:150 a.m.  
Conference Room 211, State Capitol

**PURPOSE:** The purpose of this bill is to require the Department of Human Services to conduct a study on asset limits for public assistance programs and report its findings and recommendations to the legislature no later than twenty days prior to the convening of the regular session of 2013.

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) supports this bill. The Department believes a review of the current asset limits for its public assistance programs is timely. The Department and the Financial Assistance Advisory Council will evaluate the information on increasing asset limits and will provide a report and recommendations to the 2013 Legislature.

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

# UNIVERSITY OF HAWAII

Bridge to Hope  
Serving UH Welfare Recipient Students

TO: Committee on Ways and Means  
Sen. David Ige, Chair  
Sen. Michelle Kidani Vice-Chair

FROM: Teresa Bill, Bridge to Hope Coordinator (956-8059)

RE: Testimony Supporting **SB2178, SD1**, Relating to Human Services  
Wed. Feb 29, 2012  
9:15 a.m. Conference Room 211

I am Teresa Bill, testifying in **support of SB2178, SD1** requesting the Dept. of Human Services conduct a study on asset limits for public assistance programs. I am the coordinator of a UH program called Bridge to Hope that supports TANF participants in their pursuit of higher education as a means of economic self-sufficiency. However my testimony is not the official testimony of the University.

Eliminating or Raising Asset Limits for public assistance programs meets the recommendations of the Hawaii State Asset Building and Financial Education Taskforce submitted in January 2010. A more detailed report by the Dept. of Human Services should address their program budget addressing anticipated changes in eligibility, enrollment etc.

The Department of Human Services was a key member of the Asset Building Taskforce's Sub-Committee on Asset Limits, but with DHA personnel changes the Department's "institutional memory" of the benefits and best practices need to be re-engaged. As a member of the Taskforce Asset Limit sub-committee, I am clear that the current DHS Administration is interested in effectively engaging with this issue. I sincerely hope that DHS will build upon and engage with the Asset Building Taskforce's work.

Also, this bill only addresses asset tests for TANF, TAONF, Med-Quest and SNAP which is a good start. But General Assistance, and Aid to Blind & Disabled are also adults who are penalized for any saving; their asset test is even lower, currently at \$2-3000.

As SB2178 indicates, many families are forced to spend every shred of "emergency savings" they might have in order to qualify for public assistance. This forced spending and withholding of financial assistance (and food stamps) until a family has lost everything contradicts every tenet of family financial stability. Once the family gains access to the public assistance program, they are then encouraged to begin building a path to "economic self-sufficiency" - often that includes rebuilding savings as a buffer against unexpected loss of jobs, car repair, etc. It is an unfortunate occurrence when a family must choose between initiating a savings plan and participating in TANF, whose stated goal is to encourage economic self-sufficiency; which reasonably includes emergency savings.

Please **support SB2178 SD1** and encourage DHS to examine the possibilities for changing asset limits for public benefit programs.

Thank You