STAND. COM. REP. NO. **Y78**

Honolulu, Hawaii

MAR 1 8 2013

RE: H.B. No. 868

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2013 State of Hawaii

Madam:

Your Committee on Human Services, to which was referred H.B. No. 868 entitled:

"A BILL FOR AN ACT RELATING TO ELIMINATING THE ASSET LIMIT ELIGIBILITY REQUIREMENT FOR THE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM,"

begs leave to report as follows:

The purpose and intent of this measure is to eliminate the asset limit for the Temporary Assistance for Needy Families program.

Your Committee received testimony in support of this measure from the Department of Human Services; Office of Hawaiian Affairs; Office of Community Services; Hawaii State Commission on the Status of Women; Hawaii State Democratic Women's Caucus; University of Hawaii Bridge to Hope; American Civil Liberties Union of Hawaii; Catholic Charities Hawaii; Goodwill Industries of Hawaii, Inc.; Hawaii Alliance for Community-Based Economic Development; Hawaii Appleseed Center for Law and Economic Justice; Legal Aid Society of Hawaii; Hawaii Women's Coalition; and one individual.

Your Committee finds that asset limits are intended to target public dollars to our neediest and most vulnerable populations. However, asset limits have an unintended consequence in that they provide an incentive for individuals to divest themselves of assets and a disincentive to accumulate assets. This is problematic, as families need assets to escape poverty and become self-sufficient.



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Your Committee further finds that financial savings and asset accumulation enable our neediest families to maintain a safety net for self-sufficiency, prevent job loss, and avoid a return to public assistance. At the same time, families would have an opportunity to build assets toward retirement, which would lessen their dependence on government assistance as they age. Also, several states, such as Alabama, Louisiana, Maryland, Ohio, and Virginia, have completely eliminated their asset limits for Temporary Assistance for Needy Families programs, which has resulted in little to no change in caseload and reduced administrative costs.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 868, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

> Respectfully submitted on behalf of the members of the Committee on Human Services,

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SUZANNE CHUN OAKLAND, Chair



The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Human Services HMS

Bill / Resolution No.:*	Committee Referral:		Dat	Date:	
HB 868	HMS, WAM			3/11/13	
The committee is reconsidering its previous decision on this measure.					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
CHUN OAKLAND, Suzanne (C)					
GREEN, Josh (VC)					
KIDANI, Michelle N.					
TANIGUCHI, Brian T.					/
SLOM, Sam					
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TOTAL		3	0	0	<u> </u>
Recommendation:			Not Adopted		
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes