

JAN 17 2014

A BILL FOR AN ACT

RELATING TO PUBLIC ASSISTANCE.

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

1 SECTION 1. The legislature finds that current welfare
2 rules provide a disincentive for recipients to find work because
3 the recipient's income from their employment may either cause
4 them to become ineligible for continued public assistance or
5 receive less public assistance. Ironically, for certain
6 individuals, the receipt of public assistance can serve as a
7 strong disincentive to seek gainful employment.

8 The purpose of this Act is to provide an incentive for
9 recipients of public assistance by encouraging them to work and
10 simultaneously be eligible for and collect public assistance.

11 SECTION 2. Section 346-53, Hawaii Revised Statutes, is
12 amended by amending subsection (a) to read as follows:

13 "(a) This subsection does not apply to general assistance
14 to households without minor dependents. The standard of need
15 shall equal the poverty level established by the federal
16 government in 2006, prorated over a twelve-month period based on
17 family size.



1 The assistance allowance provided shall be based on a
2 percentage of the standard of need. For other work eligible
3 households and non-work eligible households and households in
4 which all caretaker relatives are minors, living independently
5 with minor dependents and attending school, the assistance
6 allowance shall be set no higher than sixty-two and one-half per
7 cent and no lower than forty-four per cent of the standard of
8 need. For all other households, the assistance allowance shall
9 be set no higher than sixty-two and one-half per cent of the
10 standard of need and set no lower than thirty-four per cent of
11 the standard of need. The standard of need shall be determined
12 by dividing the 2006 federal poverty level by twelve and
13 rounding down the quotient. The remaining quotient shall be
14 multiplied by the per cent as set by the director by rules
15 pursuant to chapter 91, and the final product shall be rounded
16 down to determine the assistance allowance; provided that:

17 (1) The department may increase or reduce the assistance
18 allowance as determined in this subsection for work
19 eligible households for the purpose of providing work
20 incentives or services under part XI;

21 (2) No reduction shall be allowed that jeopardizes
22 eligibility for or receipt of federal funds;



(3) Reductions in the assistance allowance shall be limited to no more than one per year; and

(4) No work eligible household, which includes an adult who has received sixty cumulative months of temporary assistance to needy families with minor dependents, shall be eligible for an assistance allowance, unless authorized by federal regulations.

For purposes of this subsection, no recipient of an assistance allowance shall be denied or terminated from receiving benefits if the recipient is employed at the time of reaching the time limit for receiving benefits; provided that the benefits shall be gradually reduced over a three-year period or sooner to phase out benefits as incomes rise, in amounts as determined by the department."

SECTION 3. This Act shall not be applicable if the federal government finds that this Act jeopardizes federal funding for public assistance.

SECTION 4. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2014.

INTRODUCED BY:

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S.B. NO. 2428

Report Title:

Public Assistance; Work; Income Eligibility

Description:

Provides that no recipient of an assistance allowance shall be denied or terminated from receiving benefits if the recipient is employed at the time of reaching the time limit for receiving benefits. Gradually reduces benefits over a three-year period or sooner to phase out benefits as incomes rise, in amounts as determined by the department of human services.

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