A BILL FOR AN ACT

RELATING TO HUMAN SERVICES.

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

SECTION 1. The legislature finds that current state 1 2 welfare policy often penalizes welfare recipients who seek job 3 promotions or higher paying career opportunities. Receiving 4 increased income often causes welfare recipients to lose their 5 beneficiary status, thus perpetuating financial hardship. The legislature further finds there is a need to revise the welfare 6 7 payment system to allow recipients to advance in their careers 8 without necessarily losing their beneficiary status. 9

The purpose of this Act is to:

10 Require the department of human service to establish a (1) 11 task force to develop a restructured welfare payment 12 system; and

13 (2) Re-establish the exit and retention bonus program to encourage welfare recipients to transition back into 14 15 the workforce.

16 SECTION 2. (a) Beginning no later than January 1, 2019, 17 the department of human services, including the financial

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1 assistance advisory council, shall convene a task force to 2 revise and restructure the welfare payment structure to 3 incentivize qualifying welfare recipients to advance in their 4 careers while retaining their beneficiary status. The task 5 force shall:

6 Examine the current welfare payment structure; (1)7 (2) Revise the welfare payment structure to incentivize 8 qualifying recipients to advance in their careers or 9 seek high paying jobs without necessarily causing 10 recipients to lose their welfare beneficiary status; 11 (3) Create a sliding scale payment system to incrementally 12 reduce welfare payments to recipients as they advance 13 in their careers or obtain higher paying jobs; 14 (4)Explore other possible methods to incentivize welfare 15 recipients to seek financial self-sufficiency; and 16 Assess the effectiveness of the temporary assistance (5) 17 for needy families program of the United States 18 Department of Health and Human Services. 19 (b) The director of human services or the director's 20 designee shall serve as the chairperson of the task force and 21 shall request representatives of advocacy organizations focused

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on poverty, children, families, and women's issues to serve as
 members of the task force.

3 (c) The task force shall report to the legislature no
4 later than twenty days prior to the convening of the 2020
5 regular session on its findings and recommendations, including
6 any recommendations for an implementation plan or legislation.
7 SECTION 3. Beginning no later than January 1, 2019, the
8 department of human services shall re-establish the exit and
9 retention bonus program. The program shall:

10 (1) Be available to recipients who voluntarily terminate
11 their welfare benefits within a twenty-four month
12 period and remain out of the welfare system;

13 (2) Provide bonuses available after three, six, twelve,
14 and twenty-four months, with bonus amounts increasing
15 for more hours of employment; and

16 (3) Provide a maximum bonus amount over a period of17 twenty-four months.

18 SECTION 4. There is appropriated out of the general
19 revenues of the State of Hawaii the sum of \$ or so much
20 thereof as may be necessary for fiscal year 2018-2019 to re21 establish the exit and retention bonus program.



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The sum appropriated shall be expended by the department of
 human services for the purposes of this Act.

3 SECTION 5. This Act shall take effect on July 1, 3000.



Report Title: Human Services; Welfare; TANF

Description:

Requires the Department of Human Services to establish a task force to develop a restructured welfare payment system. Reestablishes the exit and retention bonus program to encourage welfare recipients to transition back into the workforce. Appropriates funds. (HB2204 HD1)

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