A BILL FOR AN ACT

RELATING TO TEMPORARY ASSISTANCE FOR NEEDY FAMILIES.

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

1 SECTION 1. The legislature finds that the temporary 2 assistance for needy families program, or TANF, is a federally 3 funded financial assistance program designed to help families in need achieve self-sufficiency. The temporary assistance for 4 5 other needy families program, or TAONF, is a state funded 6 program that mirrors the rules of TANF and is designed to assist 7 Hawaii families with minor children who are not eligible to 8 receive temporary assistance for needy families program benefits due to their citizenship. Both programs provide for sixty 9 10 months of assistance, though most families in Hawaii participate 11 in the programs for approximately twenty-four months. 12 appropriated for the temporary assistance for other needy 13 families program make up a significant percentage of Hawaii's 14 maintenance of effort required to receive federal program funds. 15 For both programs, recipients must participate in the 16 first-to-work program as a condition of eligibility. The firstto-work program assists recipient families to obtain employment 17

- 1 through various educational and work-related activities. First-
- 2 to-work participants may be eligible for supportive services
- 3 such as job readiness support, education and work-related
- 4 expenses, and transportation assistance.
- 5 The legislature finds that under existing administrative
- 6 rules for the first-to-work program, participants may receive a
- 7 maximum housing allowance equal to sixty per cent of the
- 8 household income. However, only a one-time payment in an amount
- 9 not more than two months of rent is currently permitted.
- The legislature further finds that of the \$98,000,000 block
- 11 grant that the State receives each year for the temporary
- 12 assistance for needy families program, approximately \$41,000,000
- 13 is encumbered. Approximately \$57,000,000 of the remaining
- 14 balance is placed in a reserve account held for the State by the
- 15 federal government.
- 16 The legislature finds that low-income residents
- 17 participating in the first-to-work program likely need
- 18 assistance to meet their housing costs. In December 2021, the
- 19 United States Bureau of Labor Statistics reported that the
- 20 average housing costs for Honolulu-area households are \$23,572
- 21 per year and accounts for 38.7 per cent of the area's household



- 1 budget, compared to the 33.8 per cent United States average.
- 2 Additionally, the National Low Income Housing Coalition ranked
- 3 Hawaii as the state with the highest living wage needed to
- 4 afford a two bedroom rental home. The Coalition estimates that
- 5 twenty per cent of Hawaii's low income residents and sixty-nine
- 6 per cent of severely low income residents pay more than fifty
- 7 per cent of their household income on rent.
- 8 The legislature also finds that the 2021 median prices for
- 9 single-family homes and condominiums in Hawaii are at record
- 10 highs. Reports from the housing industry predict that rising
- 11 home values have led property owners to consider selling, which
- 12 may result in displacing long-term tenants and decrease the
- 13 number of available rental units. With fewer available rental
- 14 units, rents will likely increase.
- The purpose of this Act is to authorize and appropriate
- 16 funds for the department of human services to provide additional
- 17 housing assistance subsidies to recipients of temporary
- 18 assistance for needy families or temporary assistance for other
- 19 needy families benefits who are participants of the first-to-
- work program.

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         SECTION 2. Section 346-261, Hawaii Revised Statutes, is
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    amended to read as follows:
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         "§346-261 First-To-Work; establishment; purpose.
    There is established a mandatory work program for certain
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    applicants and recipients of temporary assistance for needy
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    families and temporary assistance for other needy families
    consistent with federal regulations and requirements under title
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    IV-A of the Social Security Act, 42 United States Code section
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    601 et seq. The purposes of the first-to-work program shall be
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    to encourage, assist, and require temporary assistance for needy
    families and temporary assistance for other needy families
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    applicants and recipients to fulfill their responsibilities to
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    support their children by preparing for, accepting, and
    retaining employment. The department shall adopt rules
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    consistent with the requirements of title IV-A of the Social
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    Security Act, 42 United States Code section 601 et seq., and in
    accordance with chapter 91 for the purposes of this part.
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              The department may provide eliqible households
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    receiving benefits under the temporary assistance for needy
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    families or temporary assistance for other needy families
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    programs with housing assistance subsidies of up to $500 per
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- 1 month during their participation in the first-to-work program.
- 2 Any plan for expenditure of temporary assistance for needy
- 3 families funds developed pursuant to section 346-51.5 shall be
- 4 updated to account for expenditures for housing assistance
- 5 subsidies. Expenditure of funds for the administration of
- $\mathbf{6}$ housing assistance subsidies shall be exempt from chapters 103D
- 7 and 103F."
- 8 SECTION 3. There is appropriated out of the general
- 9 revenues of the State of Hawaii the sum of \$ or so
- 10 much thereof as may be necessary for fiscal year 2022-2023 for
- 11 housing assistance subsidies for the temporary assistance for
- 12 other needy families program.
- 13 The sum appropriated shall be expended by the department of
- 14 human services for the purposes of this Act.
- 15 SECTION 4. There is appropriated out of the federal funds
- 16 received by the State of Hawaii the sum of \$ or so
- 17 much thereof as may be necessary for fiscal year 2022-2023 for
- 18 housing assistance subsidies for temporary assistance for needy
- 19 families program participants.
- The sum appropriated shall be expended by the department of
- 21 human services for the purposes of this Act.



1 SECTION 5	. New	statutory	material	is	underscored.

SECTION 6. This Act shall take effect on July 1, 2022. 2

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INTRODUCED BY: Madri K. Males

JAN 2 5 2022

Report Title:

DHS; TANF; TAONF; Housing Assistance; Appropriation

Description:

Authorizes the department of human services to provide housing assistance subsidies of up to \$500 per month to TANF and TAONF program participants who are participating in the first-to-work program. Appropriates funds.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.