

STAND. COM. REP. NO. 3310

Honolulu, Hawaii

MAR 22 2022

RE: H.B. No. 2233
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Human Services, to which was referred H.B. No. 2233, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TEMPORARY ASSISTANCE FOR NEEDY FAMILIES,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize and appropriate funds for the Department of Human Services to provide additional housing assistance subsidies of up to \$500 per month to Temporary Assistance for Needy Families (TANF) and Temporary Assistance for Other Needy Families (TAONF) program participants who are also participating in the First-To-Work program.

Your Committee received testimony in support of this measure from the Governor's Coordinator on Homelessness, Department of Human Services, Office of Hawaiian Affairs, Partners In Care, Zonta Club of Hilo, Family Promise of Hawaii, Catholic Charities Hawai'i, Parents And Children Together, Hawai'i Children's Action Network Speaks!, LGF Consulting Hawaii, and four individuals. Your Committee received comments on this measure from the State Procurement Office, Department of Budget and Finance, and Tax Foundation of Hawaii.

Your Committee finds that, as of January 2022, there was an average of 4,532 families participating in the TANF program, a



federally-funded financial assistance program designed to help families in need achieve self-sufficiency; and 1,116 families participating in the TAONF program, a state-funded program that mirrors TANF and is designed to assist Hawaii families with minor children who are not eligible to receive TANF program benefits due to their citizenship. According to the Department of Human Services, seventy percent of TANF recipients and sixty percent of TAONF recipients participated in the First-To-Work program, which, in addition to assisting the recipient families in obtaining employment, also provides housing allowances to participating families. Your Committee finds, however, that the housing allowance is limited to a one-time payment of an amount not to exceed two months of rent.

Your Committee further finds that nearly one-third of households in Hawaii who rent their homes spend over half of their monthly income on rent and utilities. As housing prices continue to skyrocket, your Committee believes that low-income families participating in the First-to-Work program will likely require assistance to meet their housing costs; however, the programs currently lack the funds to accommodate this critical need. Your Committee, therefore, finds that this measure is necessary to address a key barrier to housing for many low-income families in Hawaii, including those experiencing homelessness or are at risk of homelessness.

Your Committee notes the testimony of the Department of Human Services stating that the annual cost of issuing a monthly housing assistance subsidy of \$500 to TANF and TAONF program participants is projected to total \$23,094,000. According to the Department, the annual cost for the TANF program participants, which is estimated at \$19,168,020, will need to be covered by federal TANF funds, and the annual cost for the TANOF participants, estimated at \$3,925,980, will need to be covered by state general funds. The Department also reports that an additional \$200,000 in federal TANF funds will be needed to cover the cost for the TANF program's system modifications.

Accordingly, your Committee has amended this measure by:

- (1) Appropriating out of the general revenues of the State of Hawaii, \$3,925,980 for fiscal year 2022-2023 for

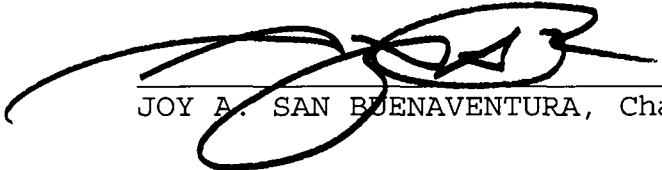


housing assistance subsidies for the TAONF program participants;

- (2) Appropriating out of the federal TANF funds received by the State of Hawaii, \$19,168,020 for fiscal year 2022-2023 for housing assistance subsidies for the TANF program participants;
- (3) Appropriating out of the federal TANF funds received by the State of Hawaii, \$200,000 for fiscal year 2022-2023 for system modifications for the TANF program;
- (4) Making it effective upon its approval; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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. 2233, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2233, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

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



JOY A. SAN BUENAVENTURA, Chair



