DAVID Y. IGE GOVERNOR

July 1, 2022

EXECUTIVE CHAMBERS

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirty-First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki, Speaker and Members of the House of Representatives Thirty-First State Legislature State Capitol, Room 431 Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on July 1, 2022, the following bill was signed into law:

HB2233 HD1 SD2

RELATING TO TEMPORARY ASSISTANCE FOR NEEDY FAMILIES. **ACT 237**

Sincerely,

DAVID Y. IGE

Governor, State of Hawai'i

ORIGINAL

Approved by the Governor

JUL 0 1 2022

ON ______ HOUSE OF REPRESENTATIVES THIRTY-FIRST LEGISLATURE, 2022 STATE OF HAWAII **ACT 237** H.B. NO. H.D. 1

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 other needy families program, or TAONF, is a state funded 5 6 program that mirrors the rules of TANF and is designed to assist 7 Hawaii families with minor children who are not eligible to receive temporary assistance for needy families program benefits 8 9 due to their citizenship. Both programs provide for sixty 10 months of assistance, though most families in Hawaii participate
- 11 in the programs for approximately twenty-four months. The funds
- 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
- 17 first-to-work program assists recipient families with obtaining

H.B. NO. H.D. 1

- 1 employment through various educational and work-related
- 2 activities. First-to-work program participants may be eliqible
- 3 for supportive services such as job readiness support, education
- 4 and work-related 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 to exceed two months of rent is currently permitted.
- 10 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 account for 38.7 per cent of the area's household

H.B. NO. 2233 H.D. 1

- 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 one of the highest living wage needed
- 4 to afford a two bedroom rental home. The Coalition estimates
- 5 that twenty per cent of Hawaii's low income residents and
- 6 sixty-nine per cent of severely low income residents pay more
- 7 than fifty per cent of their household income for 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.
- 15 The purpose of this Act is to authorize the department of
- 16 human services to provide additional housing assistance
- 17 subsidies to recipients of temporary assistance for needy
- 18 families, or temporary assistance for other needy families, who
- 19 are participants of the first-to-work program.
- 20 SECTION 2. Section 346-261, Hawaii Revised Statutes, is
- 21 amended to read as follows:

1 "\$346-261 First-To-Work; establishment; purpose. (a) 2 There is established a mandatory work program for certain applicants and recipients of temporary assistance for needy 3 4 families and temporary assistance for other needy families 5 consistent with federal regulations and requirements under title 6 [IV-A] IV, part A of the Social Security Act, title 42 United 7 States Code section 601 et seq. The purposes of the 8 first-to-work program shall be to encourage, assist, and require 9 temporary assistance for needy families and temporary assistance 10 for other needy families applicants and recipients to fulfill 11 their responsibilities to support their children by preparing 12 for, accepting, and retaining employment. The department shall 13 adopt rules consistent with the requirements of title [HV-A] IV, 14 part A of the Social Security Act, title 42 United States Code 15 section 601 et seq., and in accordance with chapter 91 for the 16 purposes of this part. 17 (b) The department may provide housing assistance 18 subsidies of up to \$500 per month to eligible households 19 receiving benefits under the temporary assistance for needy 20 families or temporary assistance for other needy families 21 programs during the household's participation in the

- 1 first-to-work program. Any plan developed pursuant to section
- 2 346-51.5 for expenditure of temporary assistance for needy
- families funds shall be updated to account for expenditures for 3
- 4 housing assistance subsidies. The expenditure of funds for the
- 5 administration of housing assistance subsidies shall be exempt
- from chapters 103D and 103F." 6
- 7 SECTION 3. Statutory material to be repealed is bracketed
- 8 and stricken. New statutory material is underscored.
- SECTION 4. This Act shall take effect upon its approval.

APPROVED this 1st day of July , 2022

GOVERNOR OF THE STATE OF HAWAII

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HB No. 2233, HD 1, SD 2

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 3, 2022 Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-First Legislature of the State of Hawaii, Regular Session of 2022.

Ban

Scott K. Saiki Speaker House of Representatives

Mi L. Ille

Brian L. Takeshita

Chief Clerk

House of Representatives

THE SENATE OF THE STATE OF HAWAI'I

Date: April 12, 2022 Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Third Reading in the Senate of the Thirty-First Legislature of the State of Hawai'i, Regular Session of 2022.

President of the Senate

Clerk of the Senate