JAN 2 0 2022

## 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
4	need achieve self-sufficiency. The temporary assistance for
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
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 first-

to-work program assists recipient families to obtain employment

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- 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.
- 15 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-
- 20 work program.

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

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

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INTRODUCED BY:

By Request

MMM-M.

### 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.