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# 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 is a federally-funded  
3 financial assistance program designed to help families in need  
4 achieve self-sufficiency. The temporary assistance for other  
5 needy families program is a state-funded program that mirrors  
6 the rules of the temporary assistance for needy families program  
7 and is designed to assist Hawaii families having minor children  
8 who are not eligible to receive temporary assistance for needy  
9 families program benefits due to the families' citizenship.  
10 Both programs provide sixty months of assistance, although most  
11 families in Hawaii participate in the programs for approximately  
12 twenty-four months. The funds appropriated for the temporary  
13 assistance for other needy families program make up a  
14 significant percentage of the maintenance of effort required for  
15 Hawaii to receive federal program funds.

16           For both programs, recipients must participate in the  
17 first-to-work program as a condition of eligibility. The first-



1 to-work program assists recipient families with obtaining  
2 employment through various educational and work-related  
3 activities. First-to-work participants may be eligible for  
4 supportive services, including job readiness support, education  
5 and work-related expenses, and transportation assistance.

6 The legislature also finds that, under existing  
7 administrative rules for the first-to-work program, participants  
8 may receive a maximum housing allowance equal to sixty per cent  
9 of the household income. However, only a one-time payment in an  
10 amount equal to no more than two months of rent is currently  
11 permitted.

12 The legislature further finds that, of the \$98,000,000  
13 block grant that the State receives each year for the temporary  
14 assistance for needy families program, approximately \$41,000,000  
15 is encumbered. Approximately \$57,000,000 of the remaining  
16 balance is placed in a reserve account held for the State by the  
17 federal government.

18 The legislature additionally finds that low-income  
19 residents participating in the first-to-work program likely need  
20 assistance to meet their housing costs. In December 2021, the  
21 United States Bureau of Labor Statistics reported that the



1 average housing cost for Honolulu-area households is \$23,572 per  
2 year. This accounts for 38.7 per cent of the area's household  
3 budget, compared to 33.8 per cent nationally. Additionally, the  
4 National Low Income Housing Coalition ranked Hawaii as the state  
5 with the highest living wage needed to afford a two-bedroom  
6 rental home. The Coalition estimates that twenty per cent of  
7 Hawaii's low-income residents and sixty-nine per cent of  
8 severely low-income residents spend more than fifty per cent of  
9 their household income for rent.

10 The legislature also finds that the 2021 median prices for  
11 single-family homes and condominiums in Hawaii are at record  
12 highs. Reports from the housing industry speculate that rising  
13 home values have led property owners to consider selling, which  
14 may result in displacing long-term tenants and decrease the  
15 number of available rental units. With fewer available rental  
16 units, rents will likely increase.

17 Accordingly, the purpose of this Act is to authorize and  
18 appropriate funds for the department of human services to  
19 provide additional housing assistance subsidies to recipients of  
20 temporary assistance for needy families, or temporary assistance



1 for other needy families, who participate in the first-to-work  
2 program.

3 SECTION 2. Section 346-261, Hawaii Revised Statutes, is  
4 amended to read as follows:

5 "**§346-261 First-To-Work; establishment; purpose.** (a)

6 There is established a mandatory work program for certain  
7 applicants and recipients of temporary assistance for needy  
8 families and temporary assistance for other needy families  
9 consistent with federal regulations and requirements under title  
10 [~~IV-A~~] IV, part A of the Social Security Act, title 42 United  
11 States Code section 601 et seq. The purposes of the first-to-  
12 work program shall be to encourage, assist, and require  
13 temporary assistance for needy families and temporary assistance  
14 for other needy families applicants and recipients to fulfill  
15 their responsibilities to support their children by preparing  
16 for, accepting, and retaining employment. The department shall  
17 adopt rules consistent with the requirements of title [~~IV-A~~] IV,  
18 part A of the Social Security Act, title 42 United States Code  
19 section 601 et seq., and in accordance with chapter 91 for the  
20 purposes of this part.



1       (b) The department may provide housing assistance  
2       subsidies of up to \$500 per month to eligible households  
3       receiving benefits under the temporary assistance for needy  
4       families or temporary assistance for other needy families  
5       programs during the household's participation in the first-to-  
6       work program. Any plan developed pursuant to section 346-51.5  
7       for the expenditure of temporary assistance for needy families  
8       funds shall be updated to account for expenditures for housing  
9       assistance subsidies."

10       SECTION 3. There is appropriated out of the general  
11 revenues of the State of Hawaii the sum of \$                    or so  
12 much thereof as may be necessary for fiscal year 2022-2023 to  
13 fund housing assistance subsidies for eligible participants of  
14 the temporary assistance for other needy families program.

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

17       SECTION 4. There is appropriated out of the federal funds  
18 received by the State of Hawaii for purposes of the temporary  
19 assistance for needy families program the sum of \$                    or  
20 so much thereof as may be necessary for fiscal year 2022-2023 to



1 fund housing assistance subsidies for eligible participants of  
2 the temporary assistance for needy families program.

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

5 SECTION 5. There is appropriated out of the general  
6 revenues of the State of Hawaii the sum of \$ or so  
7 much thereof as may be necessary for fiscal year 2022-2023 for  
8 the department of human services to make enhancements to its  
9 case management and payment systems to implement this Act.

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

12 SECTION 6. Statutory material to be repealed is bracketed  
13 and stricken. New statutory material is underscored.

14 SECTION 7. This Act shall take effect on December 31,  
15 2050.



**Report Title:**

DHS; TANF; TAONEF; Housing Assistance Subsidy; Appropriation

**Description:**

Authorizes the department of human services to provide housing assistance subsidies of up to \$500 per month to temporary assistance for needy families and temporary assistance for other needy families participants who are participating in the first-to-work program. Appropriates funds. Effective 12/31/2050.  
(HD1)

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