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

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

17 The legislature finds that low-income residents  
18 participating in the first-to-work program likely need  
19 assistance to meet their housing costs. In December 2021, the  
20 United States Bureau of Labor Statistics reported that the  
21 average housing cost for Honolulu-area households is \$23,572 per



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

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

16 Accordingly, the purpose of this Act is to authorize and  
17 appropriate funds for the department of human services to  
18 provide additional housing assistance subsidies to recipients of  
19 temporary assistance for needy families or temporary assistance  
20 for other needy families benefits who participate in the first-  
21 to-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. (a)

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

19 (b) The department may provide housing assistance  
20 subsidies of up to \$500 per month to eligible households  
21 receiving benefits under the temporary assistance for needy



1 families or temporary assistance for other needy families  
2 programs during the household's participation in the first-to-  
3 work program. Any plan developed pursuant to section 346-51.5  
4 for the expenditure of temporary assistance for needy families  
5 funds shall be updated to account for expenditures for housing  
6 assistance subsidies. The expenditure of funds for the  
7 administration of housing assistance subsidies shall be exempt  
8 from chapters 103D and 103F."

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

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

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



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

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

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

10          SECTION 6. Statutory material to be repealed is bracketed  
11 and stricken. New statutory material is underscored.

12          SECTION 7. This Act shall take effect on December 31,  
13 2050.



**Report Title:**

DHS; TANF; TAONF; 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.  
(SD2)

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