

**TESTIMONY IN SUPPORT OF HB2203**  
**RELATING TO PUBLIC ASSISTANCE**

The Legal Aid Society of Hawaii hereby provides testimony in support of HB2203 – Relating to Public Assistance. This bill would require the Department of Business and Economic Development to biannually establish a self-sufficiency standard for Hawai'i.

Founded in 1950, the Legal Aid Society of Hawaii is the oldest provider of legal services in the state. We provided civil legal assistance to those in need through nine offices located in Lihue, Waianae, Honolulu, Kahaluu, Kaunakakai, Lanai City, Wailuku, Kona and Hilo.

We believe that it is critical that the state have a realistic standard to understand what it actually cost to live in Hawai'i without public assistance. Currently, many state and non-profits utilize the federal poverty guideline to determine eligibility for assistance. However, we believe that the federal poverty guideline is wholly ineffective in truly determining the needs in the community.

We support this effort to establish the self-sufficiency standard and ask that the contents of this bill be transferred to HB2184 over concerns regarding the title of this bill.

Thank you for this opportunity to testify.

Sincerely,

M. Nalani Fujimori  
Deputy Director



HSH Committee  
For hearing on Thurs, Jan 24, 2008  
8:30 am  
Deliver 3 copies to Rm 326

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Date: January 22, 2008

TO: HOUSE HUMAN SERVICES & HOUSING COMMITTEE  
Rep. Maile Shimabukuro, Chair  
Rep. Karl Rhoads, Vice Chair

From: Teresa Bill (ph: 221-9261)

RE: **SUPPORT** HB2203, relating to Public Assistance  
Thurs. Jan. 24, 2008 8:30 a.m.  
State Capitol Conference Room 329

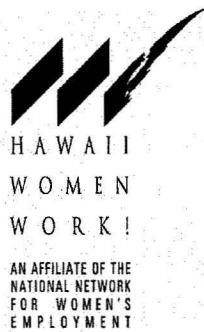
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I am Teresa Bill, testifying on behalf of Hawai'i WomenWork! which is a member of the Welfare Employment Rights Coalition. I am testifying **in support of HB 2203** requiring DBEDT to establish a self-sufficiency standard. The title "Relating to Public Assistance" would lead me to prefer inserting HB2033 language into HB2184. The listing of items to be included in the calculation are better defined in HB2203.

As co-director of the group that facilitated the development of the Hawai'i Family Economic Self-Sufficiency Standard (HI-FESS) published in April 2003 I am quite familiar with this model. HI-FESS established a realistic measure of self-sufficiency for families in 2003. It is vital that such important, reality-based information regarding the cost of living be updated regularly. We know that housing costs have increased tremendously since 2003 but we do not have an updated and reliable indicator of our cost of living. It is appropriate that the Dept. of Business, Economic Development & Tourism be the agency calculating and disseminating such a standard. We need to know if our economy and our jobs are supporting our families. We need accurate knowledge of the costs facing families.

The self-sufficiency standard is a useful tool for lawmakers, the business community as well as non-profits. This standard is used by agencies across the country to develop performance measures for job-training; "did the trainee achieve a job that will be self-sufficient?" In Philadelphia it is being used to determine if employers are offering wages and other family supports necessary to sustain their workforce. Delaware uses this self-sufficiency standard to determine the wage necessary for businesses to be eligible for economic development grants. Enterprise Corporation of the Delta (MI) uses the self-sufficiency standard in their community lending calculations and financial literacy programs.

The self-sufficiency standard is a necessary, reality-based calculation to determine what our families need to be self-sufficient. Government agencies make decisions that impact family self sufficiency and we need a reality-based calculation. Many federal programs



use the term, “self sufficiency” but we need to define it – and consistently update that calculation. DBED&T is the appropriate site for the self-sufficiency standard and other agencies like DHS need to utilize it.

Thank you for this opportunity to testify in support of a Self Sufficiency Standard.

*The Self-Sufficiency Standard for Honolulu County, HI, 2003  
Central and Windward*

<i>1 Adult, 2 Children, continued</i>							
<i>Monthly Costs</i>	<i>Adult + infant + schoolage</i>	<i>Adult + infant + teenager</i>	<i>Adult + preschooler + preschooler</i>	<i>Adult + preschooler + schoolage</i>	<i>Adult + preschooler + teenager</i>	<i>Adult + schoolage + schoolage</i>	<i>Adult + schoolage + teenager</i>
<i>Housing</i>	887	887	887	887	887	887	887
<i>Child Care</i>	699	465	1,028	748	514	468	234
<i>Food</i>	566	593	518	579	606	641	667
<i>Transportation</i>	273	273	273	273	273	273	273
<i>Health Care</i>	187	206	199	199	218	198	217
<i>Miscellaneous</i>	261	242	290	269	250	247	228
<i>Taxes</i>	559	564	720	585	592	508	521
<i>Earned Income</i>							
<i>Tax Credit (-)</i>	0	0	0	0	0	0	0
<i>Child Care</i>							
<i>Tax Credit (-)</i>	-80	-40	-80	-80	-40	-80	-40
<i>Child Tax Credit (-)</i>	-100	-100	-100	-100	-100	-100	-100
<i>Self-Sufficiency Wage</i>							
<i>-Hourly</i>	\$18.48	\$17.56	\$21.23	\$19.08	\$18.18	\$17.28	\$16.40
<i>-Monthly</i>	\$3,252	\$3,090	\$3,736	\$3,359	\$3,199	\$3,041	\$2,887
<i>-Annual</i>	\$39,023	\$37,080	\$44,828	\$40,304	\$38,394	\$36,489	\$34,647

# HACBED

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*Public Policy Associate*

Tony Hall  
*Administrative Manager*

January 24, 2008

House Committee on Human Services and Housing  
Thursday, January 24, 2008 at 8:30AM  
Conference Room 329

## **HB 2203 – SUPPORT WITH AMENDMENTS**

Dear Chair Shimabukuro and Committee Members:

The Hawai'i Alliance for Community Based Economic Development (HACBED) is submitting testimony in support of HB 2203 that would appropriate funds to the Department of Business, Economic Development, and Tourism to hire one staff person to establish, update and define the self-sufficiency standard.

Hawai'i needs a comprehensive public policy to help people build assets. This should include a package of programs, tax incentives, regulatory changes, and other mechanisms to help people earn more, save more, protect hard earned assets, start businesses and become homeowners. We support HB 2203 in that it is part of a package that we believe does just that. The Ho'owaiwai Asset Policy agenda addresses these needs by putting together a comprehensive package of bills and policies that encourages and widens opportunities for asset building.

### **Assets are essential for three reasons:**

1. To have **financial security** against difficult times
2. To create **economic opportunities** for oneself
3. To **leave a legacy** for future generations to have a better life

Utilizing the self-sufficiency standard is a critical part of asset building policy as families cannot save if there are not realistic figures to determine what the actual cost of living is.

The utility of the self-sufficiency standard cannot be over looked in our changing economy. Currently 69% of jobs in Hawaii pay less than self-sufficiency compared to 50% for other states. By biannually updating the self-sufficiency standard, Hawai'i will be in a better position to assess the needs of our most vulnerable citizens and be

Chair Shimabukuro and Committee Members  
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able to provide new businesses with a realistic economic picture to pay living wages.

**We support the intent of HB 2203 but recommend that the language from this bill be transferred into HB 2184 and HB 2184 become the vehicle bill for the self-sufficiency standard.**

Thank you for the opportunity to submit testimony.

Sincerely,

Justin Fanslau  
Associate Director

Larissa Meinecke  
Public Policy Associate