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# A BILL FOR AN ACT

RELATING TO TEMPORARY ASSISTANCE TO NEEDY FAMILIES.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1 PART I

2 SECTION 1. The legislature finds that Hawaii is  
3 experiencing difficult economic times. In February 2008, a  
4 respected local economist commented that "[a]ll indications now  
5 are for slower growth in Hawaii's near future." Real impacts  
6 were felt soon after this prediction. On March 31, 2008, after  
7 sixty-one years of operation in Hawaii, Aloha Airlines announced  
8 the discontinuation of its passenger service; on April 2, 2008,  
9 ATA Airlines announced the discontinuation of all operations  
10 after twenty-five years of operation; and on April 5, 2008,  
11 Molokai Properties Limited (commonly known as Molokai Ranch),  
12 with a history spanning one hundred forty-five years, announced  
13 its closure.

14 On March 30, 2008, one of Hawaii's daily newspapers noted,  
15 "Hawaii mortgage delinquencies ratcheted up last year and show  
16 no indication of slowing this year as economic growth weakens,  
17 inflation remains strong and home values flatten." The



1 department of business, economic development, and tourism, in  
2 its latest estimates, anticipates a twelve per cent decrease in  
3 total visitor arrivals, as compared to April of last year.

4 Clearly, these are difficult economic times. Hawaii's  
5 economy has slowed substantially, and the State's expenditure of  
6 temporary assistance for needy family funds must not only  
7 account for this economic slowdown, but maintain reserves in  
8 anticipation of a continued financial slump.

9 The legislature finds that the best approach is to continue  
10 supplying essential health, education, employment, and economic  
11 assistance while preserving an adequate reserve of funds. While  
12 maintaining cash reserves for future expenditures is imperative,  
13 so too is the continued provision of necessary support  
14 programs. Such programs will yield healthier families, more  
15 productive employees, and eventually, a stronger economy.

16 PART II

17 SECTION 2. The legislature finds that it is imperative to  
18 continue providing monthly cash benefits to families for food,  
19 clothing, shelter, and other essential items. Monthly cash  
20 benefits are not only imperative for a family's survival, but  
21 also act as a stimulus to the local economy when spent by  
22 recipients at local retail outlets.



1 SECTION 3. There is appropriated out of the federal  
2 temporary assistance for needy families funds the sum of  
3 \$34,000,000 or so much thereof as may be necessary for fiscal  
4 year 2009-2010 and the same sum or so much thereof as may be  
5 necessary for fiscal year 2010-2011 to provide monthly cash  
6 benefits to eligible families, and for associated eligibility  
7 determination costs.

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

10 PART III

11 SECTION 4. The legislature finds that a state's economy  
12 depends upon its human capital. Having a self-sufficient,  
13 dependable, and strong workforce is imperative to a robust  
14 economy. Programs that train individuals for jobs, help with  
15 job-search activities, and encourage financial self-sufficiency  
16 result in a better-developed workforce and less strain on  
17 support services and benefit programs.

18 SECTION 5. There is appropriated out of the federal  
19 temporary assistance for needy families funds the sum of  
20 \$26,000,000 or so much thereof as may be necessary for fiscal  
21 year 2009-2010 and the same sum or so much thereof as may be  
22 necessary for fiscal year 2010-2011 for obtaining job training



1 contracts and providing related support services for temporary  
2 assistance for needy families and temporary assistance for other  
3 needy families recipients.

4 The sums appropriated shall be expended by the department  
5 of human services for the purposes of this part.

6 PART IV

7 SECTION 6. The legislature finds that Hawaii has the  
8 twelfth highest teenage pregnancy rate in the nation. Young  
9 women who become pregnant before the age of eighteen have a  
10 higher risk of poverty, dropping out of high school, and  
11 experiencing preterm births. The department of human services  
12 contracted with The Lewin Group to determine the effectiveness  
13 of teenage pregnancy education programs provided under temporary  
14 assistance to needy families grants. The report found a  
15 positive impact on program participants, and the state's general  
16 trend is a decrease in teenage pregnancy rates.

17 The legislature finds that it is necessary for the  
18 well-being of Hawaii's youth to educate them about the effects  
19 of teenage pregnancy and the importance of educated decision-  
20 making through programs funded by the temporary assistance for  
21 needy families.



1 SECTION 7. There is appropriated out of federal temporary  
2 assistance for needy families funds the sum of \$12,000,000 or so  
3 much thereof as may be necessary for fiscal year 2009-2010 and  
4 the same sum or so much thereof as may be necessary for fiscal  
5 year 2010-2011 for programs to prevent and reduce the incidence  
6 of out-of-wedlock pregnancies and encourage the formation and  
7 maintenance of two-parent families.

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

10 PART V

11 SECTION 8. The legislature finds that it is important for  
12 a family's emotional and economic well-being to maintain the  
13 family unit. This can be achieved when families are provided  
14 with the resources and education they need to be self-sufficient  
15 and stable.

16 SECTION 9. There is appropriated out of the federal  
17 temporary assistance for needy families program funds the sum of  
18 \$7,000,000 or so much thereof as may be necessary for fiscal  
19 year 2009-2010 and the same sum or so much thereof as may be  
20 necessary for fiscal year 2010-2011 for purchase of service  
21 contracts for child welfare services.



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

3                                       PART VI

4           SECTION 10. The legislature finds that it is necessary to  
 5       provide for greater flexibility in the expenditure of temporary  
 6       assistance for needy families funds to best address the State's  
 7       unique needs. Transferring program funds to block grant  
 8       programs will permit more freedom in the expenditure of program  
 9       funds, thus allowing for programs that are tailored to best  
 10      service Hawaii's needy population. The legislature further  
 11      finds that it is necessary to provide adequate funds for the  
 12      implementation of temporary assistance for needy families  
 13      programs.

14          SECTION 11. There is appropriated out of the federal  
 15      temporary assistance for needy families funds the sum of  
 16      \$19,800,000 or so much thereof as may be necessary for fiscal  
 17      year 2009-2010 and the same sum or so much thereof as may be  
 18      necessary for fiscal year 2010-2011 to be transferred to the  
 19      child care development fund.

20          The sums appropriated shall be expended by the department  
 21      of human services for the purposes of this part.



1 SECTION 12. There is appropriated out of the federal  
2 temporary assistance for needy families funds the sum of  
3 \$9,890,000 or so much thereof as may be necessary for fiscal  
4 year 2009-2010 and the same sum or so much thereof as may be  
5 necessary for fiscal year 2010-2011 to be transferred to the  
6 social services block grant.

7 The sums appropriated shall be expended by the department  
8 of human services for the purposes of this part.

9 SECTION 13. There is appropriated out of the federal  
10 temporary assistance for needy families funds the sum of  
11 \$5,000,000 or so much thereof as may be necessary for fiscal  
12 year 2009-2010 and the same sum or so much thereof as may be  
13 necessary for fiscal year 2010-2011 for information systems  
14 costs related to the temporary assistance for needy families  
15 program.

16 The sums appropriated shall be expended by the department  
17 of human services for the purposes of this part.

18 SECTION 14. There is appropriated out of the federal  
19 temporary assistance for needy families funds the sum of  
20 \$9,500,000 or so much thereof as may be necessary for fiscal  
21 year 2009-2010 and the same sum or so much thereof as may be  
22 necessary for fiscal year 2010-2011 for the costs of



1 administering the temporary assistance for needy families  
2 program.

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

5 PART VII

6 SECTION 15. This Act shall take effect on July 1, 2009.





**Report Title:**

TANF Funds; Allocation of Expenditures

**Description:**

Details how the legislature will spend TANF funds, emphasizing child care services, job training and related support services, the prevention of out-of-wedlock pregnancies, the purchase of service contracts for child welfare services, information system maintenance, and administration costs. Transfers portions of TANF funds to the social services block grant and child care development fund. (SB1666 HD1)

