
A BILL FOR AN ACT

RELATING TO TEMPORARY ASSISTANCE TO NEEDY FAMILIES.

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

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

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

1 its latest estimates, anticipates a twelve per cent decrease in
2 total visitor arrivals, as compared to April of last year.

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

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

15 **PART I**

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

1 SECTION 3. Provided that of the federal fund appropriation
2 for the department of human services, there is appropriated
3 federal temporary assistance for needy families funds in the sum
4 of \$34,000,000 or so much thereof as may be necessary for fiscal
5 year 2009-2010 and the same sum or so much thereof as may be
6 necessary for fiscal year 2010-2011 to provide assistance to
7 needy families so that children may be cared for in their own
8 homes or in the homes of relatives, and for associated
9 eligibility determination costs.

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

12 **PART II**

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

20 SECTION 5. Provided that of the federal fund appropriation
21 for the department of human services, there is appropriated
22 federal temporary assistance for needy families funds in the sum

1 of \$26,000,000 or so much thereof as may be necessary for fiscal
2 year 2009-2010 and the same sum or so much thereof as may be
3 necessary for fiscal year 2010-2011 for obtaining work program
4 contracts and providing support services for temporary
5 assistance for needy families and temporary assistance for other
6 needy families recipients.

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

9 **PART III**

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

20 The legislature finds that it is necessary for the
21 well-being of Hawaii's youth to educate them about the effects
22 of teenage pregnancy and the importance of educated

1 decision-making through programs funded by temporary assistance
2 for needy families.

3 SECTION 7. Provided that of the federal fund appropriation
4 for the department of human services, there is appropriated
5 federal temporary assistance for needy families funds the sum of
6 \$12,000,000 or so much thereof as may be necessary for fiscal
7 year 2009-2010 and the same sum or so much thereof as may be
8 necessary for fiscal year 2010-2011 for programs to prevent and
9 reduce the incidence of out-of-wedlock pregnancies and encourage
10 the formation and maintenance of two-parent families.

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

13 **PART IV**

14 SECTION 8. The legislature finds that it is important for
15 a family's emotional and economic stability to maintain the
16 family unit. This can be achieved when families are self-
17 sufficient, stable, and educated.

18 SECTION 9. Provided that of the federal fund appropriation
19 for the department of human services there is appropriated
20 federal temporary assistance for needy families program funds in
21 the sum of \$7,000,000 or so much thereof as may be necessary for
22 fiscal year 2009-2010 and the same sum or so much thereof as may

1 be necessary for fiscal year 2010-2011 for the purchase of
2 service contracts for child protective services.

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

5 **PART V**

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

16 SECTION 11. Provided that of the federal fund
17 appropriation for the department of human services, there is
18 appropriated federal temporary assistance for needy families
19 funds in the sum of \$19,800,000 or so much thereof as may be
20 necessary for fiscal year 2009-2010 and the same sum or so much
21 thereof as may be necessary for fiscal year 2010-2011 that shall
22 be transferred to the child care development fund.

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

3 SECTION 12. Provided that of the federal fund
4 appropriation for the department of human services, there is
5 appropriated federal temporary assistance for needy families
6 funds in the sum of \$9,890,000 or so much thereof as may be
7 necessary for fiscal year 2009-2010 and the same sum or so much
8 thereof as may be necessary for fiscal year 2010-2011 that shall
9 be transferred to the social services block grant.

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

12 SECTION 13. Provided that of the federal fund
13 appropriation for the department of human services, there is
14 appropriated federal temporary assistance for needy families
15 funds in the sum of \$5,000,000 or so much thereof as may be
16 necessary for fiscal year 2009-2010 and the same sum or so much
17 thereof as may be necessary for fiscal year 2010-2011 for
18 information systems costs related to the temporary assistance
19 for needy families program.

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

1 SECTION 14. Provided that of the federal fund
2 appropriation for the department of human services, there is
3 appropriated federal temporary assistance for needy families
4 funds in the sum of \$9,500,000 or so much thereof as may be
5 necessary for fiscal year 2009-2010 and the same sum or so much
6 thereof as may be necessary for fiscal year 2010-2011 for the
7 costs of administering the temporary assistance for needy
8 families program.

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

11 **PART VI**

12 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, work program contracts and related support services, the prevention of out-of-wedlock pregnancies, the purchase of service contracts for child protective services, information system maintenance, and administration costs. Transfers portions of TANF funds to the social services block grant and child care development fund. (SD1)