



HCR 160 and HR 124
House Committee on Human Services
House Committee on Health

March 29, 2012

9:00 a.m.

Room 329

The Office of Hawaiian Affairs (OHA) **SUPPORTS** HCR160 and HR124, which request that the department of human services conduct a study on asset limits to qualify for public assistance.

Hawai'i's high cost of living has a significant impact on the families in our society who are struggling to make ends meet. As a last resort, these families often end up relying on public assistance to sustain their basic needs. Currently, public assistance programs limit eligibility to those who have few or no assets. Unfortunately, such asset limits provide an incentive for individuals to divest themselves of assets and a disincentive to accumulate assets. This is problematic, as families need assets to avoid and escape poverty and become self-sufficient.

The Corporation for Enterprise Development (CFED) is a national nonprofit based in Washington, D.C., dedicated to expanding economic opportunity for low-income families and communities. The Corporation recommends that states, among other things, completely eliminate asset limits for their Temporary Assistance for Needy Families programs or raise the asset limits for those programs to \$15,000. Today, one state has raised its asset limit to \$15,000, and five states have completely eliminated their asset limits.

While we would prefer to see the current asset limit raised to \$15,000 or completely eliminated, we still support any improvement to the status quo. We recognize that the requirement for the Department of Human Services to conduct a study on asset limits and submit its findings and recommendations to the 2013 Legislature would be a mechanism to improve the status quo. We encourage the Department of Human Services to work with the Asset Building and Financial Education Task Force - Asset Limit subcommittee on these recommendations.

OHA urges the committee to PASS HCR160 and HR124. Mahalo nui for the opportunity to testify.

Testimony for HUS 3/29/2012 9:00:00 AM HCR160

Conference room: 329

Testifier position: Support

Testifier will be present: No

Submitted by: Hardy Spoehr

Organization: Papa Ola Lokahi

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Submitted on: 3/22/2012

Comments:

Aloha. POL supports this legislation. We would ask that the report review the role of kuleana lands ownership in determining state assets test. We would favor an exemption from any test for the value of kuleana lands with multiple ownership interests..thank you

NEIL ABERCROMBIE
GOVERNOR



PATRICIA McMANAMAN
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STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
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March 29, 2012

MEMORANDUM

TO: The Honorable John M. Mizuno, Chair
House Committee on Human Services

FROM: Patricia McManaman, Director

SUBJECT: **H.C.R 160/H.R. 124 - REQUESTING THE DEPARTMENT OF
HUMAN SERVICES TO CONDUCT A STUDY ON ASSET LIMITS
TO QUALIFY FOR PUBLIC ASSISTANCE.**

Hearing: Thursday, March 29, 2012; 9:00 a.m.
Conference Room 329, State Capitol

PURPOSE: The purpose of these resolutions is to require the Department of Human Services to conduct a study on asset limits for public assistance programs and report its findings and recommendations to the legislature no later than twenty days prior to the convening of the regular session of 2013.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of these resolutions.

The Department believes a review of the current asset limits for its public assistance programs is timely. The Department has been supportive of H.B. 2685, H.D. 2, S.D.1, which requires the DHS to conduct a study on asset limits for public assistance programs and report to the legislature. The DHS respectfully requests the Legislature's approval of H.B. 2685, H.D. 2, S.D. 1.

The Department and the Financial Assistance Advisory Council will evaluate the information on increasing asset limits and will provide a report and recommendations to the 2013 Legislature.

Thank you for the opportunity to provide comments on these resolutions.