



LATE

CATHOLIC CHARITIES HAWAII

TESTIMONY IN SUPPORT OF HB 1375: Relating to Human Services

TO: Representative Sylvia Luke, Chair, Representative Scott Nishimoto, Vice Chair, Representative Aaron Johanson, Vice Chair, Members of the Committee on Finance

FROM: Trisha Kajimura, Social Policy Director, Catholic Charities Hawaii

Hearing: Monday, February 25, 2013 1:30 p.m. Conference Room 308

Thank you for the opportunity to testify **in support of HB 1375**, which establishes a task force to develop a restructured welfare payment system and an exit and job retention bonus program for welfare recipients transitioning into the workforce.

Catholic Charities Hawaii has a strong commitment to decreasing poverty. Poverty is clearly linked to poor social and health outcomes. People living below the poverty line are especially hard hit in Hawaii, with the highest cost of living in the U.S. A family of four in Hawaii pays 61% more for food than families on the mainland. Our cost for housing is also the highest in the nation. 75% of people at or below the poverty line spend more than 50% of their income on housing. This population is frequently teetering at the brink of homelessness, a very complicated and costly problem in our state. Government policies need to support this group in escaping poverty. The design of our welfare system should support efforts towards self-sufficiency by providing greater reward for obtaining work and exiting the system than for remaining dependant.

An exit and job retention bonus program can encourage Temporary Assistance for Needy Families (TANF) recipients to stop receiving payments before their eligibility runs out, which will save the state money and also preserve some eligibility for the family should they need it in the future. It also encourages participants to stay employed and seek raises and promotions. The system can be a financial safety net that includes a ladder to self-sufficiency.

The proposed task force will contribute to the overall goal of reducing poverty in Hawaii. Poverty reduction will improve the quality of life for our constituents and create a safer, healthier, and more successful Hawaii. We thank you for your concern and dedication to helping the working poor in our community. **We urge your support for HB 1375.**

Please contact me at (808)527-4810 or trisha.kajimura@catholiccharitieshawaii.org if you have any questions.

