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# A BILL FOR AN ACT

RELATING TO HUMAN SERVICES.

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

1           SECTION 1. The legislature finds that current State  
2 welfare policy often penalizes welfare recipients who seek job  
3 promotions or higher paying career opportunities. This  
4 increased income often causes welfare recipients to lose their  
5 beneficiary status, thus perpetuating financial hardship. The  
6 legislature further finds there is a need to revise the welfare  
7 payment system to allow recipients to advance in their careers  
8 without necessarily losing their beneficiary status.

9           The purpose of this Act is to:

- 10           (1) Establish a task force that shall develop a  
11                 restructured welfare payment system; and  
12           (2) Re-establish the exit and retention bonus program to  
13                 encourage welfare recipients to transition back into  
14                 the workforce.

15           SECTION 2. (a) Beginning no later than January 1, 2014,  
16 the department of human services, including the Financial  
17 Assistance Advisory Council, shall convene a task force to  
18 revise and restructure the welfare payment structure to



1 incentivize qualifying welfare recipients to advance in their  
2 careers while retaining their beneficiary status. The task  
3 force shall:

- 4 (1) Examine the current welfare payment structure;
- 5 (2) Revise the welfare payment structure to incentivize  
6 qualifying recipients to advance in their careers or  
7 seek high paying jobs without necessarily causing  
8 recipients to lose their welfare beneficiary status;
- 9 (3) Create a sliding scale payment system to incrementally  
10 reduce welfare payments to recipients as they advance  
11 in their careers or obtain higher paying jobs; and
- 12 (4) Explore other possible methods to incentivize welfare  
13 recipients to seek financial self-sufficiency.

14 (b) The task force shall report to the legislature no  
15 later than twenty days prior to the convening of the 2015  
16 regular session on its findings and recommendations, including  
17 any recommendations for an implementation plan or legislation.

18 SECTION 3. Beginning no later than January 1, 2014, the  
19 department of human services shall re-establish the exit and  
20 retention bonus program. The program shall:

- 21 (1) Be available to recipients who voluntarily terminate  
22 their welfare benefits within a twenty-four month



- 1 period and remain out of the welfare system;
- 2 (2) Provide bonuses available after three, six, twelve, and
- 3 twenty-four months, with bonus amounts increasing for
- 4 more hours of employment; and
- 5 (3) Provide a maximum bonus amount over a period of twenty-
- 6 four months.

7 SECTION 4. There is appropriated out of the general  
 8 revenues of the State of Hawaii the sum of \$ \_\_\_\_\_ or  
 9 so much thereof as may be necessary for fiscal year 2013-2014 to  
 10 re-establish the exit and retention bonus program.

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

13 SECTION 5. This Act shall take effect upon its approval.

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# H.B. NO. 1375

**Report Title:**

Human Services; Welfare

**Description:**

Establishes a task force that shall develop a restructured welfare payment system and re-establishes the exit and retention bonus program to encourage welfare recipients to transition back into the workforce.

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