A BILL FOR AN ACT

RELATING TO ELIMINATING THE ASSET LIMIT ELIGIBILITY REQUIREMENT FOR THE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM.

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

SECTION 1. Section 346-29, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) In determining the needs of an applicant or recipient for public assistance by the department, the department shall:

(1) Disregard the amounts of earned or unearned income as required or allowed by federal acts and other regulations, to receive federal funds and disregard from gross earned income twenty per cent plus $200 and a percentage of the remaining balance of earned income consistent with federal regulations and other requirements;

(2) Consider as net income in all cases the income as federal acts and other regulations require the department to consider for receipt of federal funds and may consider the additional income and resources as these acts and regulations permit to be considered;

(3) For households with minor dependents, disregard [a
total of $5,000 in assets and the value of one motor vehicle in determining the needs of persons for financial assistance; provided that the amount to be disregarded shall not exceed standards under federally funded financial assistance programs. This paragraph shall not apply to persons eligible for federal supplemental security income benefits, aid to the aged, blind or disabled, or general assistance to households without minor dependents. In determining the needs of persons eligible for federal supplemental security income benefits, aid to the aged, blind or disabled, or general assistance to households without minor dependents, the department shall apply all the resource retention and exclusion requirements under the federal supplemental security income program; 

(4) Apply the resource retention requirements under the federal supplemental security income program in determining the needs of a single person for medical assistance only; 

(5) Apply the resource retention requirements under the federal supplemental security income program in determining the needs of a family of two persons for medical assistance only and an additional $250 for
each additional person included in an application for medical assistance only;

(6) Disregard amounts of emergency assistance granted under section 346-65;

(7) Not consider as income or resources any payment for services to or on behalf of, or any benefit received by, a participant under the first-to-work program of part XI, other than wages. Wages earned by a participant while participating in the first-to-work program shall be considered income of the participant, unless the wages are excluded or disregarded under any other law;

(8) Not consider as income or resources payment made to eligible individuals, eligible surviving spouses, surviving children or surviving parents as specified under Title I of the Civil Liberties Act of 1988, Public Law 100-383, which made restitution to individuals of Japanese ancestry who were interned during World War II;

(9) Allow the community spouse of an individual residing in a medical institution to maintain countable resources to the maximum allowed by federal statutes or regulations with provisions for increases, as
allowed by the Secretary of Health and Human Services by means of indexing, court order, or fair hearing decree, without jeopardizing the eligibility of the institutionalized spouse for medical assistance;

(10) Allow an individual residing in a medical institution to contribute toward the support of the individual's community spouse, thereby enabling the community spouse to maintain the monthly maximum income allowed by federal statutes or regulations, with provisions for increases as allowed by the Secretary of Health and Human Services by means of indexing, court order, or fair hearing decree;

(11) Consider the transfer of assets from the applicant's name to another name within the specified time period as required by federal regulations, known as the "lookback" period, prior to the application for medical assistance for care in a nursing home or other long-term care facility. Pursuant to rules adopted under chapter 91, the director may attribute any assets that have been transferred within the required federal "lookback" period from the applicant if the director determines that transfer of certain assets
was made solely to make the applicant eligible for
assistance under this chapter; and

(12) Not consider as income or resources any funds
deposited into a family self-sufficiency escrow
account on behalf of a participant under a federal
housing choice voucher family self-sufficiency program
as required or allowed under federal law."

SECTION 2. Statutory material to be repealed is bracketed
and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

INTRODUCED BY:

BY REQUEST

JAN 2, 2013
Report Title:
Asset Limit; Temporary Assistance for Needy Families Program

Description:
Eliminates the asset limit for the Temporary Assistance for Needy Families program.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.
DEPARTMENT: Human Services

TITLE: A BILL FOR AN ACT RELATING TO ELIMINATING THE ASSET LIMIT ELIGIBILITY REQUIREMENT FOR THE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM.

PURPOSE: To eliminate the asset limit eligibility requirement for the Temporary Assistance for Needy Families (TANF) program.

MEANS: Amend section 346-29(c), Hawaii Revised Statutes.

JUSTIFICATION: The State Legislature in 2012 adopted H.R. 124, which requested the Department of Human Services to conduct a study to include a review and evaluation of information on practices, policies, and trends regarding asset limits, and the applicability of asset limits to the Supplemental Nutritional Assistance program, Temporary Assistance for Needy Families program, Temporary Assistance to Other Needy Families program, and the Medicaid program including consideration of the cost implications related to changing these asset limits. This resolution also requested the Department to make a recommendation of appropriate limits to asset limits.

The study recommended that the asset limit be eliminated for eligibility for the Temporary Assistance for Needy Families (TANF) program only. This recommendation is based on a review of five states that have eliminated the asset requirement for TANF with no increases in caseload or costs.

In order to ensure against fraud, however, the Department will take steps to increase the number of quality reviews conducted on an annual basis.
This recommended change will better support and encourage families on public assistance to save and explore potential asset building options that would help end their reliance on public assistance. By this action, this bill also supports the Governor's New Day objective of developing asset building programs to address poverty and to grow the middle-class.

Impact on the public: The Department will be able to better support asset building options that TANF recipients may want to explore. Eligibility for TANF will still require income eligibility testing to ensure benefits are only for those that are low-income households.

Impact on the department and other agencies: None.

GENERAL FUND: None.
OTHER FUNDS: None.
PPBS PROGRAM DESIGNATION: HMS 211.
OTHER AFFECTED AGENCIES: None.
EFFECTIVE DATE: Upon approval.