



STATE OF HAWAII

OUR STATE PLAN

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES
TITLE IV-A OF THE SOCIAL SECURITY ACT

SUBMITTED DECEMBER 2008

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GOVERNOR

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1.0 Organizational Structure

The Department of Human Services (DHS) is the single state agency responsible for administering the Temporary Assistance for Needy Families (TANF) program in Hawaii in accordance with Title IV-A of the Social Security Act as amended by the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 and the Deficit Reduction Act of 2005. As the designated State IV-A agency, the DHS administers the program in accordance with Title IV-A of the Social Security Act, and all other applicable Federal laws and regulations and provisions of this State Plan.

Within the organization structure of the DHS, the Benefit, Employment and Support Services Division (BESSD) is responsible for monitoring, supervising, and responding to all issues and questions regarding TANF.

The offices within the BESSD organization that have primary oversight responsibility for the TANF program include the Financial Assistance Program (FAP) staff and the Employment and Child Care Program (E/CCP) staff. The FAP is responsible for the administration of the cash benefit aspect of the TANF program. The E/CCP is responsible for the administration of the TANF work and child care programs.

Eligibility determinations and case management for TANF cash benefits is handled by eligibility worker staff at 45 local offices statewide.

Employment planning and case management for work program activities is handled by employment specialists in 23 local offices statewide. Of the 23 work program offices, 10 are state offices and 13 are private agencies with whom the DHS has a contractual relationship to provide work program services.

See Attachment A-1 for an organizational chart of DHS.

2.0 Program Uniformity

The TANF program operates using uniform policies on all islands (counties). All of the department's regulations are promulgated in accordance with the Hawaii Administrative Procedures Act (Chapter 91, Hawaii Revised Statutes), which provides the public with an opportunity for notice, review and comment.

Approved regulations are distributed to all BESSD staff responsible for TANF program operations via the Hawaii Administrative Rules (HAR) manual. Policy clarifications and emergency bulletins are also distributed to all affected BESSD staff statewide on an as needed basis.

3.0 Client Protections

3.1 Confidentiality

The rules regarding the use and disclosure of information about individuals and families receiving assistance are consistent with the rules that guided the program under Title IV-A of the Social Security Act prior to the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The rules protect the rights of individuals and permit the release of information to programs operating in connection with the TANF program, i.e., federally funded or federally assisted programs providing assistance on the basis of need, or for appropriate audit purposes, or to appropriate local, state, and federal law enforcement officials.

Pertinent administrative rules governing confidentiality can be found in HAR, Chapter 601.

3.2 Hearing and Appeal Process

Hawaii provides timely and adequate notice prior to taking an adverse action and provides opportunities for recipients who have been adversely affected to be heard in a State administered appeals process. There are set time limits for requesting and holding hearings and for issuing decisions. Hearings are presided over by impartial hearing officers. Clients are allowed to present appeals independently, be represented by legal counsel, bring witnesses, ask questions and cross-examine. If the client is dissatisfied with the decision rendered by the hearing officer, he or she may appeal to a court of law.

Pertinent administrative rules governing hearings can be found in HAR, Chapter 602.1.

3.3 Limited-English Proficiency

Hawaii has policies and procedures for providing interpreter services and has entered into a Resolution Agreement with the U.S. Department of Health and Human Services, Office for Civil Rights related to this effective August 18, 2008.

4.0 Program Integrity

The DHS identifies situations in which there are questions of suspected fraud such as, but not limited to, a recipient receiving financial assistance to which the individual is not entitled. The suspected fraud may be the result of willful misrepresentation of the individual's circumstances or the intentional concealment of information from the department.

In the BESSD organization, the Investigations Office (INVO) investigates suspected fraud and refers cases, as appropriate, to law enforcement officials.

The methods of investigation used by the department do not infringe on the legal rights of the persons involved and allow these individuals due process of law.

Pertinent administrative rules governing the department's fraud provisions can be found in HAR, Chapter 604.1.

5.0 Consultations

Hawaii's TANF program is based on the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 and the Deficit Reduction Act of 2005, which reauthorized the TANF program in February 2006.

Hawaii used a planning task force for the development of the TANF program in 1996 when PRWORA was implemented and in 2006, when the DRA of 2005 was passed. The task force was composed of public and private sector individuals. The plan was presented numerous times in the community with an opportunity for public input and comment. All comments and recommendations were considered and many were incorporated into the final program plan.

Administrative rules were drafted to govern the program in 1996 in compliance with PRWORA. These rules were promulgated in accordance with the Hawaii Administrative Procedures Act (Chapter 91, Hawaii Revised Statutes). The Notice of Public Hearing was published in the primary newspapers on each island. There was a public comment period before finalization. TANF according to 1996 welfare reform rules was implemented when our waiver expired in October 2004. Administrative rules were drafted to comply with the DRA of 2005. The Notice of Public Hearing was published on November 14, 2007 in a primary newspaper on each island. The public comment period is from November 14, 2007 through December 17, 2007. A Public Hearing was held on December 17, 2007. Implementation of the rule changes is scheduled for January 15, 2008.

In March 2002, the State implemented its domestic violence policy. Domestic violence victim status is now limited to six (6) months with a possible extension of an additional six (6) months. All individuals granted domestic violence victim status are screened and diagnosed by an agency specializing in domestic violence and required to participate in activities leading to self-sufficiency. The domestic violence option and subsequent regulations were developed in collaboration with the Domestic Violence Clearinghouse and Legal Hotline, the Legal Aid Society of Hawaii, and a work group comprised of public and private agencies and individual citizens. These participants represented a cohort of domestic violence agencies and advocates statewide and private citizens. The administrative rules for the amended program were drafted and a Notice of Public Hearing was published the week of July 2, 2001 in a primary newspaper on each island. The public comment period was from July 2, 2001 through August 14, 2001. A public hearing was held on August 7, 2001. The rules were finalized on October 18, 2001. Domestic violence treatment services have been contracted out on all islands. Compliance is a condition of receiving an exemption from

work requirements. Effective 1/15/2008, compliance will be a condition of receiving assistance. Non-compliance with treatment will result in a family sanction.

Hawaii has a Grant + Program. Effective November 2001, Hawaii expanded the Grant + Program to include for-profit businesses. Grant + is a statewide non-assistance program in which non-profit and for-profit organizations employ select TANF recipients and accept the recipients' monthly assistance grant to pay a portion of the recipients' wage. The Welfare Employment Rights Coalition (WERC) first envisioned the project. WERC is a group of private and public agencies and interested individuals who advocate for the rights of welfare recipients. Their plan was introduced at public session of the 1997 Legislature. The DHS saw merit in their plan and agreed to form a committee to develop such a program in Hawaii. The program was implemented as a voluntary program effective July 1, 1999. The amendments were developed in conjunction with the Financial Assistance Advisory Council (a public/private council under the office of the director which represents public and private agencies and private citizens). The administrative rules for the amended program were drafted and a Notice of Public Hearing was published the week of July 2, 2001 in a primary newspaper on each island. The public comment period was from July 2, 2001 through August 14, 2001. A public hearing was held on August 7, 2001. The rules were finalized on October 18, 2001.

Effective November 1, 2001, Hawaii imposed program participation requirements for individuals who are exempt from work requirements due to a disability. Individuals who claim an exemption due to a physical or mental impairment must be engaged in substance abuse treatment services or vocational rehabilitation activities or both, which may reasonably be expected to lead to employment and self-sufficiency. Individuals diagnosed as disabled with substance abuse issues are referred to a contracted substance abuse treatment provider for treatment. Individuals with physical and/or mental disabilities receive vocational rehabilitation services from a contracted provider. The entire household is sanctioned if the disabled individual refuses or fails to comply with treatment. The amendments were developed in conjunction with the Financial Assistance Advisory Council. The administrative rules were drafted and a Notice of Public Hearing was published the week of July 2, 2001 in a primary newspaper on each island. The public comment period was from July 2, 2001 through August 14, 2001. A public hearing was held on August 7, 2001. The rules were finalized on October 18, 2001.

The TANF Medical Board Evaluation contract began effective 10/1/05. The Medical Board evaluates whether the individual's disability is temporary or permanent and interferes with his or her ability to engage in any substantial gainful employment of at least thirty-two (32) hours per week at a job for which he or she is equipped by education, training or experience. This Medical Board ensures that the adult TANF population between the ages of 18 and 65 are afforded a fair and consistent evaluation of disability and determine appropriate treatment services, vocational rehabilitation services or employment activities that the individual can be expected to engage in. The administrative rules were drafted and a Notice of Public Hearing was published the week of November 14, 2004 in a primary newspaper on each island. The

public comment period was from November 15, 2004 through December 14, 2005. A public hearing was held on December 14, 2005. The rules were finalized on January 20, 2005. Effective 1/15/08, the Medical Board will evaluate whether the individual's disability interferes with his or her ability to work thirty (30) hours a week.

In 2001 Hawaii implemented the Employment Subsidy Program, as a non-assistance federally-funded program designed to help transition under-employed families that have exhausted the 60-month time limit by providing a monthly work support stipend to assist families with the cost of work expenses such as tools, uniforms, transportation, union dues, licenses, etc. As a work support payment program, it requires at least one adult in the family to be employed. In 2001 the Employment Subsidy Program was limited to a one-time only period of 24 consecutive months beginning from the 61st month. The administrative rules were developed in conjunction with the Financial Assistance Advisory Council (a public/private council under the office of the director which represents public and private agencies and private citizens). A Notice of Public Hearing was published the week of July 2, 2001, in a primary newspaper on each island. The public comment period was from July 2, 2001 through August 14, 2001. A public hearing was held on August 7, 2001. The rules were finalized on October 18, 2001. In 2006 the Employment Subsidy program was amended to extend the eligibility period from 24 consecutive months to 60 consecutive months beginning with the month following the 60th time-eligible month. At least one adult must be employed during this 60-month period and additional hours of employment are required from the 13th month and from the 25th month. The administrative rules were drafted and a Notice of Public Hearing was published on July 4, 2006 in a primary newspaper on each island. The public comment period was from July 4, 2006 through August 4, 2006. A Public Hearing was held on August 4, 2006. The rules were finalized on September 18, 2006.

Hawaii implemented the Self-Sufficiency Program effective January 3, 2002. The Self-Sufficiency Program is a non-assistance program that allows an eligible household to receive monthly benefits in a lump-sum payment. This program was designed as a work support payment program to assist the family with work-related expenses that would enable the family to increase their earnings or allow them to secure employment. The program requires an employment plan which illustrates the necessity of the expense to approve the lump-sum payment. A household may request a lump-sum payment equaling three (3), six (6), or eight (8) months of benefits, followed by an ineligible period of five (5), nine (9), or 12 months respectively. The administrative rules were developed in conjunction with the Financial Assistance Advisory Council and a Notice of Public Hearing was published the week of July 2, 2001 in a primary newspaper on each island. The public comment period was from July 2, 2001 through August 14, 2001. A public hearing was held on August 7, 2001. The rules were finalized on January 2, 2002.

Hawaii implemented the Grant Diversion Program effective April 1, 2005. This program ended effective September 30, 2008 in accordance with TANF-ACF-PI 2008-5.

Hawaii implemented the Supporting Employment Empowerment Program effective October 2004. The Supporting Employment Empowerment Program is an employer incentive program designed to assist TANF recipients with obtaining employment. Under this program, the Department will offer prospective employers a wage and benefit subsidy package if they agree to hire TANF recipients. The TANF recipient shall participate with this program for a period not to exceed six months, however, based on certain situations, two three-month extensions are possible. The administrative rules were drafted and a Notice of Public Hearing was published the week of November 14, 2004 in a primary newspaper on each island. The public comment period was from November 15, 2004 through December 14, 2005. A public hearing was held on December 14, 2005. The rules were finalized on January 20, 2005.

Hawaii implemented the Reward Work Earned Income Disregard Reimbursement program effective September 2006. This program allows a reward work supplement for households who are working and meeting work participation requirements. From month one through month twenty-four of receipt of TANF benefits, the disregard reimbursement will be the difference between the 36% earned income disregard and a 100% earned income disregard. From the twenty-fifth month through the forty-eighth month of TANF benefits, the disregard reimbursement will be the difference between the 36% earned income disregard and a 50% earned income disregard. This does not apply to recipients who have received an exit bonus or a job retention bonus. The administrative rules were drafted and a Notice of Public Hearing was published on July 4, 2006 in a primary newspaper on each island. The public comment period was from July 4, 2006 through August 4, 2006. A Public Hearing was held on August 4, 2006. The rules were finalized on September 18, 2006.

Hawaii implemented the Exit Bonus Program effective September 2006. The exit bonus program was developed to assist employed households who exit the Grant Diversion program or the TANF program prior to receiving twenty-five months of benefits from July 1997 because of excess income, excess assets or by voluntary request. The household's countable income must be under 300% of the FPL in effect on July 1 of each year and the recipient must be working at least 86 hours a month or if self-employed have gross earnings equaling state minimum wage times 86 hours. The exit bonus is tiered based on the hours of employment. Receipt of the exit bonus is limited to once in the lifetime of the household in which the employed adult resides. The administrative rules were drafted and a Notice of Public Hearing was published on July 4, 2006 in a primary newspaper on each island. The public comment period was from July 4, 2006 through August 4, 2006. A Public Hearing was held on August 4, 2006. The rules were finalized on September 18, 2006.

Hawaii implemented the Job Retention Bonus Program effective September 2006. The job retention bonus program was developed to assist employed households in receipt of TANF benefits to become self-supporting by providing job retention bonuses at specified intervals during a consecutive twenty-four month period and shall be limited to once in the lifetime of a household in which the employed adult resides. The household may not receive any financial assistance between bonuses and must maintain employment between bonuses to qualify for

PART A**ADMINISTRATION**

the next bonus. If there is more than one employed adult, the total hours employed by both adults can be used to determine the job retention bonus amount the household is eligible to receive. The administrative rules were drafted and a Notice of Public Hearing was published on July 4, 2006 in a primary newspaper on each island. The public comment period was from July 4, 2006 through August 4, 2006. A Public Hearing was held on August 4, 2006. The rules were finalized on September 18, 2006.

1.0 Application and Redetermination

1.1 Access to Benefits and Services

Households wishing to participate in the TANF program must complete and file an application form, be interviewed by an employee designated by the department, and have certain information verified. Applications (Form DHS 1240, "Application for Financial and Food Stamps Assistance") are available in all branch income maintenance units statewide and may also be requested by mail or telephone. Applications may be submitted to any DHS office statewide, but the first day of eligibility can be no earlier than the date an application is received by the appropriate office that services the census tract in which the applicant resides. All branch income maintenance offices are open during regular working hours, Monday through Friday, but are closed on all legal holidays.

1.2 Residency Requirements

Applicants/recipients must be residents of the state, but there is no set period of time a person must be living in the state to establish residency. Hawaii treats new families moving to the state the same as families already residing in the state.

1.3 Application Processing Time Frames

The department must make a decision on an application within 45 days. The 45-day period begins on the date that the appropriate income maintenance unit receives an application form containing, at a minimum, the applicant's name, address and signature. The 45-day period ends when financial assistance benefits are authorized or when a notice is mailed to the applicant household that financial assistance has been denied or discontinued.

1.4 Redeterminations

A review of all eligibility requirements is required every 12 months for all TANF households. To continue receiving financial assistance at the time a redetermination is due, all TANF recipients must:

1. Complete a redetermination form prescribed by the department;
2. Provide information supported by documents to establish eligibility;
3. Be determined to be in need according to the department's appropriate standard of assistance; and
4. Meet the categorical and eligibility requirements of the TANF program.

In addition, six-months before an annual eligibility redetermination is due, a Six-Month Report Form must be completed by all TANF households. The department obtains

information about changes in the TANF household's circumstances that may affect the amount of the cash benefit or may make the household ineligible.

1.5 Initial Assessment

The Grant Diversion Program ended 09/30/08. Effective 10/1/08, as a condition of eligibility for TANF benefits, individuals determined to be work eligible are required to participate with the work program for a compliance period prior to benefit approval. This work program for compliance prior to TANF approval is referred to as Up-front Universal Engagement or UFUE. As part of the application process, the department does an initial assessment to determine if the applicant is required to participate in the work program. One work eligible or other work eligible adult in an assistance unit attends a program orientation and intake session within 5 work days of application. During the application process, a work program assessment is conducted for other household members 16 years of age and older. The form DHS 1259, "First-to-Work Referral and Requirements" is explained and signed (see Attachment B-1). All applicant households are informed of the work program participation requirements, what happens when participation requirements are not met and the expectation for work. The applicant is required to sign a DHS 1242, "TANF Memorandum of Understanding" (see Attachment B-2). An applicant is also informed of their right to claim Domestic Violence Victim Status. The applicant claiming domestic violence victim status must complete the DHS 1260A "Self-Declaration Screening Form to Claim Domestic Violence Victim Status" and be assessed by the contracted Domestic Violence Agency (see Attachment B-3). An individual who claims that a physical, mental or substance abuse disability prevents him or her from complying with work participation requirements will be referred for evaluation by the Medical Board. When the Medical Board determines that their disability prevents them from working 30 hours a week, the individual will be referred to the vocational rehabilitation program or substance abuse treatment program as applicable.

Individuals determined work eligible are referred to the First-to-Work (FTW) Program. The FTW program conducts an in-depth employability assessment that results in an Employment Plan (EP) and a Support Service Plan (SSP). The EP and the SSP are signed written agreements between the client and the department that outline the employment or training activities to be preformed by the client and the services to be provided by the department.

Individuals determined to be disabled are referred for rehabilitation services. Those disabled as a result of substance abuse are referred for substance abuse treatment. Victims of domestic violence are referred to a domestic violence agency. These are all contracted services and all include case management services, employability plans, supportive services, and employment and training activities.

2.0 Assistance Unit

2.1 Age Requirement

Hawaii defines a minor child as a needy child under age 18, or under age 19, if the child is a full-time student in a secondary school or in a vocational or technical training program of equivalent level. Effective 1/15/08, the needy child under age 18 shall participate with the First-to-Work program if the child is not a full-time student or has completed secondary school or an equivalent level of vocational or technical training.

2.2 Caretaker Relative

A caretaker relative is defined as the designated relative who provides care and supervision to a dependent, minor child. The designated relative may include the following individuals in relation to the minor child:

1. Father, mother, brother, sister, half-brother, half-sister, uncle, aunt, uncle half-blood, aunt half-blood, great uncle, great aunt, great uncle half-blood, great aunt half-blood, grandfather, grandmother, great grandfather, great grandmother, first cousin, first cousin once removed, nephew or niece, great-great grandfather, great-great grandmother, great-great-great grandfather, great-great-great grandmother, great-great uncle, great-great aunt, great-great uncle half-blood, great-great aunt half-blood;
2. Stepfather, stepmother, stepbrother, and stepsister;
3. The adoptive parents of a legally adopted child as well as other natural or legally adopted children and relative of the adoptive parents;
4. A hanai father or hanai mother. Hanai means the child was taken permanently at the time of birth or early childhood to be reared, educated, and loved by someone other than the natural parents. In hanai situations, the child is given outright and the natural parents renounce all claims to the child. Natural parents cannot reclaim their child except for death or serious injury to the hanai parents; and
5. The legally married spouse of any of the persons specified above, even after the marriage has ended in death or divorce.

2.3 Standard Filing Unit

In order for a family to be eligible, an application with respect to a dependent, minor child must include the following individuals, if living in the same household and otherwise eligible:

1. A natural, adoptive or hanai parent, except as noted below; and
2. A blood-related or adoptive brother or sister, except as noted below.

In situations where the state has obtained legal custody of a child and has placed that child under the care and supervision of a person other than the parent, the following shall apply:

1. The parental relationship shall not be recognized for the purpose of determining the TANF household composition, even if the natural, adoptive or hanai parent is living in the same household; and

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2. The sibling relationship shall not be recognized if the natural, adoptive or hanai parent is living in the same household and has other children or stepchildren living in the home for whom the state has not obtained legal custody.

In situations where an adopted child is living with both the adoptive parent and a natural or hanai parent the following shall apply:

1. The natural or hanai parent relationship shall not be recognized for the purpose of determining the TANF household composition; and
2. The sibling relationship shall not be recognized if the natural or hanai parent has other children or stepchildren living in the household who have not been adopted.

2.4 Temporarily Absent

In Hawaii, temporarily absent means the dependent, minor child or the caretaker relative is not present in the home for a period not to exceed sixty (60) days, or for a household receiving supportive services through a plan approved by the department, not to exceed one hundred and eighty (180) days, provided that from the date of departure there was a planned date of return.

There are no good cause exceptions for temporary absence beyond the allowable periods explained above.

3.0 **Eligibility, Income and Resources**

3.1 Pregnant Woman Without Other Children

A needy pregnant woman with no other eligible children may be eligible for TANF from the first of the month in which the woman begins her ninth month of pregnancy, provided:

1. There is a doctor's written statement to verify the pregnancy; and
2. The pregnant woman and the unborn child together shall be considered as one person for the purposes of the TANF payment.

3.2 Felony Substance Abuse

The 1997 Hawaii Legislature passed Act 128 which specified that Section 115(a) of Public Law 104-193 shall not apply in Hawaii to persons with a felony conviction which has as an element, the possession, use or distribution of a controlled substance, provided these individuals are complying with treatment or have not refused or failed to comply with treatment. This statute became permanent when the 1999 Hawaii Legislature passed Act 27 to remove a sunset clause.

3.3 Fleeing Felons

A fleeing/fugitive felon interface is done semiannually with the National Crime Information Center to identify any individuals who meet these definitions and who are receiving assistance in Hawaii. Any individual identified on this match is removed from financial assistance immediately.

3.3 Deprivation Factors

Although not a deprivation factor per se, in order to be eligible for TANF, all the minor children in the household must be living in a single parent or no-parent situation. If one child in the standard filing unit has both natural, adoptive or hanai parents living in the home, the household would be ineligible for TANF. However, in Hawaii two-parent households may qualify for a parallel program that has the same payment and eligibility requirements as TANF. This program is the Temporary Assistance to Other Needy Families (TAONF) program and is funded exclusively with state dollars. Households that contain at least one needy, minor child who has both parents living in the same would be considered for TAONF eligibility.

3.4 Eligibility for Non-Citizens

Hawaii provides TAONF to eligible non-citizens as defined in Welfare Reform. Effective 10/1/2006, TAONF households where the adults are non-citizens from the Compact of Free Association are designated with the State funding indicator for Maintenance of Effort (MOE).

3.5 Income Eligibility

To determine eligibility, the household must meet specific financial (income and resource) requirements. The prospective income (earned, unearned and in-kind), of each household member is evaluated. If not excluded by rule or regulation, the income is tested prospectively against the gross income standard and the standard of assistance (SOA) according to household size. If the family fails either of these tests, the household is not eligible for benefits.

The State Legislature sets the income standards at a percentage of the federal poverty index (FPI). The gross income standard is 185% of the standard of need. Effective 7/1/2007, the standard of need is 100% of the FPI established for 2006. The standard of assistance is 50% of the standard of need. TANF households that contain a work eligible adult have the standard of assistance reduced to 40% of the standard of need after the household has received two (2) full months of assistance at the 50% standard.

The household's countable prospective income (earned, unearned and in-kind) must not exceed 185% of the family's standard of need. The net income is determined by allowing all the earned income disregards against the gross earned income. Monthly net earned income is

then added to any unearned income to determine the net income for the family. The family's countable net income must meet the net income test. The net income is then compared to the SOA (50% or 40% depending on the household's circumstances) and the difference is the eligible financial assistance payment amount.

The earned income of a child who is a full-time student or a part-time student who is not a full-time employee is excluded in determining financial assistance eligibility and payment amount.

3.6 Earned Income Disregards

Earned income disregards are subtracted from the monthly gross earned income of each wage earner in the assistance unit as follows:

1. Deduct a standard deduction of 20%;
2. From the remainder, deduct a flat rate of 200 dollars;
3. From the remainder, deduct a variable rate deduction of 36%; and
4. From the remainder, deduct an amount equal to the actual cost for the care of each incapacitated adult living in the same household and receiving financial assistance, but not to exceed:
 - A. \$175 a month, if the applicant or recipient is employed full-time; or
 - B. \$165 a month, if the applicant or recipient is employed less than full-time.

3.7 Deemed Income and Resources

TANF has specific deeming requirements when there is a 1) husband, wife or parent living in the same home, but not on assistance due to Social Security Number (SSN) or Intentional Program Violation (IPV) disqualification; 2) stepparent living in the same home but not on assistance; and 3) parent of a minor parent living in the same home and not on assistance. The deeming provisions are as follows:

Husband, wife or parent living in the same home:

1. All non-exempt assets of the husband, wife or parent shall be considered available to the financial assistance household and considered in the personal reserve;
2. Obtain the monthly total earned and unearned income of the individual not included in the financial assistance payment;
3. From the individual's monthly gross earned income, deduct the standard deduction of 20%;
4. From the remainder, subtract the amount paid for the care of each incapacitated adult living in the same household and included in the financial assistance payment not to exceed \$175 if the individual is employed full-time or \$165 if the individual is employed less than full-time;
5. From the remainder, deduct the difference between the following standards of assistance:

PART B**PROVISIONS OF ASSISTANCE**

- A. The first standard shall include the needs of all the individuals included in the financial assistance payment and the needs of the individual and other individuals not included in the financial assistance payment, provided such other individuals may be claimed by the individual as dependents for federal income tax purposes.
 - B. The second standard shall include the needs of the individuals included in the financial assistance payment.
6. All the remaining income shall be considered available to meet the needs of the individuals receiving financial assistance.

Stepparent:

1. All non-exempt assets of the stepparent shall be considered available to the financial assistance household and considered in the personal reserve;
2. Obtain the monthly total earned and unearned income of the stepparent;
3. From the stepparent's monthly gross earned income, deduct a standard deduction of 20%;
4. From the remainder, subtract the department's specified standard of need to meet the needs of the stepparent and any other dependents who are living in the home who are not part of the financial assistance unit;
5. From the remainder, subtract the actual amount paid by the stepparent for the support of dependents who are not living in the home (e.g., child attending school away from home);
6. From the remainder, subtract all payments made by the stepparent for alimony and child support for persons not living in the household.
7. All the remaining income shall be considered available to meet the needs of the individuals receiving financial assistance.

Parent of a minor parent living in the same home:

Deeming is the same as that of the stepparent, except the parent of a minor parent is allowed all the earned income disregards (i.e., 20%, \$200 and 36%).

3.8 Resources

The personal reserve standard is set at \$5,000 for all TANF households. All cash and personal property that is not exempt is counted in the personal reserve.

All motor vehicles are excluded from the personal reserve, regardless of value.

4.0 Benefit Levels**4.1 Benefit Standards**

PART B**PROVISIONS OF ASSISTANCE**

HH SIZE	1 SON	2 SOA	3 SOA	HH SIZE	1 SON	2 SOA	3 SOA	HH SIZE	SON	2 SOA	3 SOA
1	939	469	375	6	2568	1284	1027	11	4197	2098	1678
2	1265	632	506	7	2894	1447	1157	12	4523	2261	1809
3	1590	795	636	8	3220	1610	1288	13	4849	2424	1939
4	1916	958	766	9	3545	1772	1418	14	5175	2587	2070
5	2242	1121	896	10	3871	1935	1548	15	5500	2750	2200
								15+	+326		

1. *Standard of Need is the 100% Federal Poverty Level Standard established by the federal government effective July 1, 2006. Changes in the standard of need shall be adjusted annually per legislative approval.*
2. *Standard of Assistance is 50% of the Standard of Need, applicable to TANF, AABD categories, and Refugees receiving General Assistance effective July 1, 2007.*
3. *Standard of Assistance is 40% of the Standard of Need, applicable to mandatory work required TANF households, effective July 1, 2007.*

4.2 New Residents

Hawaii treats new families moving to the state the same as families already residing in the state.

4.3 Benefit Issuance

Financial assistance is issued on a monthly basis to eligible TANF households as direct cash assistance in the form of Electronic Benefit Transfer (EBT) or imprest check.

5.0 Time Limits**5.1 60-Month Time Limit**

Receipt of TANF assistance is limited to 60 months in the lifetime of all applicant and recipient households, unless the household has an adult who is a non-needy caretaker or the adult is a custodial parent providing care for their child who is under six months of age for a lifetime limit of two six-month periods.

The 60 month time limit is not related to work eligibility. A time eligible month is credited to each adult in a household for each month that assistance is received. The actual determination of the number of months of assistance that has been received by a household is based on the primary adult. The primary adult is defined as the adult in the household that has the greatest number of time eligible months. Disabled individuals who receive more than 60 months are given extensions due to hardship based on 20 percent of the average monthly number of families receiving assistance during the fiscal year.

The department does not count months of assistance received as a dependent child.

A countable month of assistance begins with the first month a TANF household receives assistance on or after December 1, 1996.

5.2 Non-Work Eligible Households

A household where all adults must meet one of the following criteria to be considered a non-work eligible household:

1. There is no adult in the household;
2. A recipient of Supplemental Security Income (SSI) or Social Security Disability Income (SSDI),
3. The parent is caring for a child under six (6) months of age;
3. The parent is providing care for a disabled family member living in the household.

Non-work eligible adults are not referred to the First-to-Work program.

5.3 Participation Requirements for Other Work Eligible Individuals With a Disability

An individual who the department has determined disabled due to a physical or mental impairment, including substance abuse, shall be engaged in treatment services and vocational rehabilitation activities which may reasonably be expected to lead to employment and self-sufficiency. If the individual fails or refuses to participate in treatment services or vocational rehabilitation activities without good cause, the entire household will be sanctioned as follows:

1. For the first such failure to comply, until the failure to comply ceases;
2. For the second such failure to comply, until the failure to comply ceases or two (2) months, whichever is longer;
3. For any subsequent failure to comply, until the failure to comply ceases or three (3) months, whichever is longer.

5.4 Domestic Violence Victim Status

Hawaii notifies all applicants and recipients of the department's domestic violence policy at point of initial application, reapplication and at each eligibility review or at any time that a client discloses domestic violence. Such notification includes the following information:

1. A definition of domestic violence, including examples of acts and circumstances which may constitute domestic violence;
2. An explanation of the availability of domestic violence victim status and the requirements of such a status;
3. An explanation of the procedures for applying for domestic violence victim status;
4. An explanation of procedures for appealing the denial of domestic violence victim status.

PART B**PROVISIONS OF ASSISTANCE**

Individuals who are victims of domestic violence are referred to a domestic violence agency for the following services:

1. A determination of eligibility for a domestic violence victim status using the criteria set forth below; and
2. An assessment and development of an individualized service plan.

An individual is considered to be a victim of domestic violence if he or she has or has had a relationship to the alleged perpetrator of the violence as a spouse, reciprocal beneficiary, former spouse, former reciprocal beneficiary, person with whom the individual has a child in common, parent, child, person related by blood, person jointly residing or formerly residing in the same dwelling unit, or person with whom the individual has or has had a dating relationship regardless of whether they lived together at any time, and the victim has had to take one or more of the following actions as protection or as a result of the domestic violence inflicted by the alleged perpetrator:

1. Has a current court order protecting the individual or other household members from the alleged perpetrator;
2. Is a party to a pending divorce or custody action which involves issues of current or past domestic violence;
3. Within the past 12 months, has stayed in a domestic abuse shelter;
4. Within the past 12 months, has stayed with a friend or relative after having fled the home to escape or avoid domestic violence, as supported by a sworn statement from that friend or relative. If the friend or relative is not available, another person who has personal knowledge of the domestic violence situation may provide a sworn statement;
5. Within the past 12 months, has been a victim of an incident of domestic violence which resulted in the arrest, arraignment or conviction of the alleged perpetrator of the violence;
6. Within the past 12 months, has been in inpatient or outpatient treatment for psychological, physical or emotional abuse resulting from domestic violence;
7. Within the past 12 months, has been hospitalized, been in community placement or received emergency room treatment for medical or psychological injuries resulting from domestic violence;
8. Within the past 12 months, has been subject to threats of death or grievous bodily injury to self or family and loved ones by the alleged perpetrator.

The applicant/recipient who meets the definition of a victim of domestic violence must accept and receive domestic violence treatment services to meet the work participation requirement for a six (6) month period. The other adult in the assistance unit that contains a domestic violence victim is granted the same status during the six (6) month period. The domestic violence status may be extended for an additional period of up to six (6) months immediately following the first six (6) month period if the following apply:

1. The domestic violence victim has maintained active participation with the domestic violence agency during the initial six (6) month period;
2. The domestic violence agency recommends the extension; and

3. The alleged perpetrator is not residing in the same home as the domestic violence victim.

5.5 Post 60-Month Benefits and Services

At the conclusion of the 60-month time limit, all assistance units will be assessed for continued eligibility in the following programs;

1. Medical assistance;
2. Food stamps;
3. Child care;
4. Employment Subsidy Program; and
5. TAONF (Temporary Assistance for Other Needy Families).

5.6 Nonrecurrent Short-Term Benefits

1. The Department recognizes payment of adoption assistance benefits as a non-assistance payment under the TANF Program and considers these cases to be needy under the law. Adoption assistance is considered a non-assistance payment; it shall not exceed four months for each discreet occurrence. Adoption assistance covers nonrecurring adoption expenses such as attorney fees or social services to enable the adoption of a child who is at high risk for abuse and neglect. The child's income cannot exceed the gross income limit of 185% of the 1996 Federal Poverty Limit or the net income limit which is the 1995 Federal Poverty Limit, and the child's monthly assets cannot exceed \$10,000. It is issued when the adoption is final and the child is living in the home of the adoptive parents. This service is effective in this plan effective October 1, 2003. The amount spent on these services is used to meet the MOE requirement.
2. Effective October 1, 2002, the Department recognizes payment to a non-needy relative who provides care for a child placed in the relative's home by the staff of the Department's Social Services Division. The TANF payment or amount spent on these services that is used towards meeting the MOE requirement shall not exceed four months for each "discrete crisis situation". The child placed in the relative's home shall be considered needy under the law. The child's income cannot exceed the gross income limit of 185% of the 1996 Federal Poverty Limit or the net income limit which is the 1995 Federal Poverty Limit, and the child's monthly assets cannot exceed \$10,000. Effective October 1, 2008, this will be funded using TANF cash assistance funds instead of being used to meet the MOE requirement.

5.7 Emergency Assistance

Effective October 1, 2007, under the grandfather provision of Section 404(a)(2) of the Social Security Act, the State elects to continue its approved, former Emergency Assistance program as it was in effect on September 30, 1995.

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1. The kinds of emergencies covered are abuse, neglect, or abandonment of children in which:
 - a. The child is at imminent risk of harm and continuation in the home is found not to be in the child's best interests;
 - b. Threat of harm exists and emergency assistance is needed to maintain the child safely in the family home; and
 - c. The child is at risk of removal from the home due to a parent's or relative's inability to provide the needed care and supervision.

2. The kinds of assistance provided to meet the emergency situations are home based services which include; counseling, supervision, shelter, food and other household or maintenance expenses for the child to remain in or return to the home; emergency shelter and group home (child caring facility) care, including basic living essentials (e.g., food, clothing, maintenance, supervision) unless receiving Title IVE; necessary medical care unless the child is covered by Title XIX; and assistance provided to meet the emergency situation and other related items.

3. The kinds of service provided to meet emergency situations are home based services which are short term, home-based crisis intervention and counseling services for families and children to prevent out of home placement or facilitate reunification. Based on the Behavioral Sciences Institute of Washington State's Homebuilders model.

NOTE: The above assistance and services are limited to a maximum duration of one year or less as necessary to alleviate the emergency condition and must be authorized during a single 30 day period no less than 12 months after the beginning of the family's last Emergency Assistance authorization.

4. To be eligible for this program, the family must meet all of the following requirements:
 - a. An application must be filed;
 - b. An emergency must exist which did not arise out of the specified relative or child's refusal, without good cause, to accept employment or employment training within 30 days prior to the date of application;
 - c. The child is living with a specified relative or within the 6 months prior to the date of application, had been living with a specified relative;
 - d. The family shall be needy. Needy is defined as having a monthly gross countable income not exceeding 800% of the federal poverty limit.

There shall not be an asset limit. Assets which may be converted into cash within 48 hours shall be considered income.

5. Assistance may be granted following the receipt of an application but prior to the completing of investigation of eligibility on the basis of facts which indicate presumptive eligibility.
 - a. The investigation of eligibility must be completed within 30 days.

b. Federal Financial Participation may not be claimed until the investigation is completed and eligibility for emergency assistance has been established.

6. The household must meet the program guidelines for Home Based Services.

5.8 Maintenance of Effort

1. Through a variety of community-based service providers, the State offers the following types of services to families whose income is less than 500% of the federal poverty limit:

- a. Financial literacy;
- b. Classes in child development, community resources, and parenting skills;
- c. One to One mentoring of children and youth in professionally supported relationships;
- d. Individual, marital, and family counseling services, to include domestic violence counseling for victims and offenders;
- e. An alternative secondary education school for at-risk youth that provides education, clinical counseling, and social services to students and families who have social adjustment, emotional, or school related difficulties;
- f. Community centers that provide family support and family preservation services;
- g. Domestic abuse shelters provide victims of domestic violence and their families with a safe haven of temporary shelter with provisions for basic needs (food, clothing, etc.), counseling, and services for children;
- h. Housing for eligible victims who need safety and support and are ready to go to school/work;
- i. Preschool programs for 3 and 4 year old children provided at no cost to income eligible children;
- j. Domestic violence services such as assessment service, planning, counseling services, case management, and linkage and referral to recipients of TANF and Temporary Assistance to Other Needy Families who have or are currently experiencing issues of safety and functioning related to domestic violence, which would adversely affect their ability to become self-sufficient;
- k. Comprehensive services to families and individuals who have experienced intra-familial sexual abuse;
- l. After school program for girls ages 5 to 11 of incarcerated mothers;
- m. Volunteer income tax clinics;
- n. Employment core services for parolees;
- o. Residential shelter and outreach to eligible teens;
- p. One-time financial and material assistance to eligible families;
- q. Musical workshops, concerts, and live orchestral music for children and adults;
- r. Education and enrichment programs to children from infancy and up;
- s. Youth development programs;
- t. Programs that address social-economic barriers, family violence, inadequate parenting skills, lack of workplace skills, poverty, teenage pregnancy, poor school performance, and behavioral difficulties;
- u. Programs that provid public awareness, education, and advocacy to prevent child abuse and neglect in families;

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- v. Drug and alcohol treatment for women with children;
 - w. Musical therapy; and
 - x. Health services.
2. Other Maintenance of Effort funded activities are identified in 5.6, Nonrecurrent Short-Term Benefits and in 3.4, Eligibility for Non-Citizens.

1.0 Goals and Strategies

1.1 Goals and Objectives

Hawaii's TANF program provides assistance to needy families with (or expecting) children and provides parents with job preparation, work and support services that enable them to leave the program and become self-sufficient. This is accomplished through strategies implemented through the welfare reform program which delivers cash assistance and the First-to-Work (FTW) program which provides employment preparation and support services.

The following statements were used as guiding principles in the design of the welfare reform program:

1. Welfare is temporary and not a way of life;
2. Parents, not government, are responsible for the support and maintenance of their children;
3. Parents who are able to work, must work;
4. Families must be financially better off by going to work than staying on welfare.

To achieve these objectives, the welfare reform program uses a combination of positive and negative incentives to challenge applicants and recipients to move away from welfare dependency and toward a future of self-reliance. The negative incentives include the five (5) year time limitation and welfare grant reductions for households that contain at least one (1) work eligible or other work eligible adult and penalties for failure to participate in work activities. The positive incentives include an increased resource limit, exclusion of all vehicles from asset consideration, exclusion of the earned income of dependent children who are full-time students, exclusion of all educational loans, grants and scholarships, and increased earned income disregards so that a family remains eligible for welfare assistance until their gross income exceeds 185% of the federal poverty level (FPL) or net earned income exceeds 50% of the FPL by household size (Note: Hawaii's FPL is legislatively capped at the FPL for 2006).

1.2 Models or Other Effective Practices Used

Hawaii chose to use a labor attachment model to assist TANF recipients in becoming employed. The program is entitled First-to-Work (FTW). Within this program, there are components that are designed to assist recipients in becoming employed very quickly in either full or part-time employment. The model that this program emulates is similar to ones that were discussed nationally in relation to the Riverside, California GAIN Program. In addition, Hawaii has included an On-the-Job (OJT) training component referred to as the

Transitional Opportunity Program or TOP. This program is patterned somewhat after the Oregon JOBS Plus model. The similarity is that employers are given the opportunity for up to six (6) months of participant OJT effort with very little obligation to cover expenses. There is no wage requirement, no Unemployment Insurance requirement, and no health insurance requirement. This approach differs from Oregon in that Hawaii does not pass through the grant for diversion and there is no reduction in the welfare grant.

Hawaii also implemented the Grant + Program effective July 1, 1999. Grant + is broadly patterned after the work supplementation models funded by the Family Support Act of 1988. The Grant + Program provides participants with subsidized employment in the private, non-profit and for-profit sector. Participants are screened and hired by an employer and they receive training as well as valuable work experience while they are on the job. The participant meets federally defined work requirements and receives earned income. The employer in return gets an employee who may be trained at a reduced cost and also receives a flat grant of \$650 per family, which the department diverts to the employer to subsidize the participant's wages.

The Supporting Employment Empowerment (SEE) program was developed in October 2004. The SEE program is an incentive program designed to assist TANF recipients with obtaining employment. The SEE program offers prospective employers a wage and benefit subsidy of fourteen percent of the SEE payment to encourage them to employ TANF recipients. The recipient shall participate with the SEE program for a period not to exceed six months, however, based on certain situations, two three-month extensions are possible.

Effective October 1, 2008, Hawaii ended its Grant Diversion (GD) program as a result of program instruction TANF-ACF-PI-2008-05, dated May 19, 2008.

In addition to the labor attachment features, Hawaii has a full-time educational incentive program. In this component, participants are encouraged to improve their skill level by attending training or educational classes. The incentive is that the work participation requirement is reduced to 20 hours per week for full-time students. The total training or educational hours and work activity must total no less than 20 hours per week, with a minimum work activity requirement of four (4) hours per week of paid employment. Part-time students must fulfill the overall participation requirement of 30 hours per week. For part-time students, once the educational hours are determined, the remainder of the required hours may be in either paid or unpaid work activity. This educational feature was extrapolated from the Waiver program granted to Hawaii entitled, "Creating Work Opportunities for Hawaii's Families", which was eventually merged into the PONO waiver. Hawaii is not aware that other States use this approach, but local experience was adequate to convince us to run the program in this manner.

All other components offered under the program are the traditional education, training, and work activities. Hawaii believes the combination of these activities provides the best opportunities to assist TANF participants to become self-sufficient.

1.3 Numerical Goals

The numerical goals and activities established for the program are as set in federal law.

With the exception of full-time students described in 1.2, all participants must meet a participation requirement of 30 hours per week.

2.0 Work Activities

Individuals who are determined to be work eligible or other work eligible individuals shall be referred immediately to the FTW program and are scheduled for intake and orientation. A screening instrument is also administered at this point to determine psychosocial, health, educational/skill, employment, and communication barriers to employment. Following intake/orientation, the participant is scheduled for reading and math tests, and a preliminary interview. The results of the testing and interview are scored and summarized to determine if the participant moves on to Employability Assessment or referral to an in-unit social worker for an in-depth Barrier Assessment. The Employability and Barrier Assessments will result in the development of an Employment Plan and assignment to work activities.

FTW participants are expected to perform 30 hours per week of overall participation to simulate a full-time workweek. Of the overall participation requirement, 20 hours per week must include participation in allowable work activities. Allowable work activities include:

1. Unsubsidized Employment, which also includes Self-Employment
2. Subsidized Employment

The Supporting Employment Empowerment (SEE) program is a TANF subsidized employment placement where employers are reimbursed for expenditures associated with employing a TANF work-eligible individual. The State reimburses employers at the State minimum wage rate in addition to 14% for applicable employer taxes and other employer costs related to the hiring of TANF work-eligible individuals as subsidized employees. Participants in the SEE program can be placed in a subsidized placement for up to a six month period, unless the Department and employer agree to extend it for up to two (2) additional three (3) month extensions.

The Grant + Program provides participants with subsidized employment in the private, for-profit and non-profit sector. Participants are screened and hired by an employer and they receive training as well as valuable work experience while they are on the job. Individuals may participate in this program for a maximum of 18 months. The participant meets federally defined work requirements and receives earned income. The employer in return gets an employee who may be trained at a reduced cost and also receives a flat grant of \$650 per family which the department diverts to the employer to be used to subsidize the participant's wages.

3. Work Experience, if Private Sector Employment is not Available

The Community Work Experience Program (CWEP) provides unsalaried work experience and training in the public sector. It is used when private sector employment is not available and it is determined that the TANF recipient needs this type of experience to enable them to adjust and learn how to function in an employment setting. CWEP activities serve as a training environment to improve the employability potential of participants and at the same time serve a useful public purpose.

4. On-the-Job Training

The Transitional Opportunity Program or TOP program places TANF recipients in full-time training positions in the private sector for up to six (6) months. Recipients continue to receive a TANF grant and are not subject to the 20% grant reduction for the duration of the OJT. Employers are given the opportunity for up to six (6) months of participant OJT effort with very little obligation to cover expenses. There is no wage requirement, no Unemployment Insurance requirement, and no health insurance requirement. When trainees successfully complete their training program, the employer is expected to hire them. The employer has an opportunity to select, train and evaluate the potential candidates for employment with no wage cost during the six (6) month OJT assignment.

Employers, who hire their trainees, are expected to hire them for full-time employment at the current market wage for comparable work.

5. Job Search and Job Readiness Assistance

These are employment directed activities in which participants seek out to obtain employment, receive training to prepare to seek or obtain employment, or receive substance abuse treatment, mental health treatment, or rehabilitation activities for those who are otherwise employable. The immediate goal of these activities is to gain full or part-time employment. Job search is directed to the participant's interest and local job market conditions and may serve participants in either group or individual job-seeking activities, or a combination of both methods. Job readiness is in the form of group training where participants are educated in how to prepare to seek out employment opportunities, covering items such as interview skills, resume writing, and formal presentation.

6. Community Service Programs

This is an activity where participants gain work experience and training through placement with a public agency or private non-profit projects which serve a useful public purpose to the community.

7. Vocational Education Training

This is an activity where participants receive structured, specialized training from an organized educational program that is directly related to the preparation of individuals for employment in current or emerging occupations requiring training other than a baccalaureate or advanced degree.

8. Job Skills Training Directly Related to Employment

This is a post-secondary educational activity offered at the University of Hawaii, community colleges or post-secondary vocational training programs that lead to recognized careers for which there is or will be a demand in the job market. Such trainings are utilized where there is potential for upgrading a participant's skills and employment prospects. Job skills training must be combined with any of the work activities above (1-7, and 11) and can only be counted after a participant has completed their requisite core hours.

9. Education Directly Related to Employment

This activity includes education that expands a participant's ability to obtain employment or to advance or adapt to the changing requirements of the workplace. Such activities may include Adult basic education, English as second language, or General Educational Development (GED) or high school equivalency, where required as a prerequisite for employment or occupation. This activity must be combined with any of the work activities above (1-7, and 11) and can only be counted after a participant has completed their requisite core hours, or if a participant under 20 years of age, it may be the only activity they participate in if the participant has not completed secondary school or received such a certificate and it is performed at the level of the requisite core hours.

10. Satisfactory Attendance at Secondary School or Course of Study Leading to General Educational Development (GED) if the Recipient has not Finished Secondary School

A custodial parent under 20 years of age, who has not completed high school or an equivalent course of education, is required to participate in educational activities. The educational activity entails regular attendance, in accordance with the requirements of the secondary school or course of study at a secondary school, or in a course of study leading to a certificate of general equivalence.

11. Provision of Child Care Services to an Individual Who is Participating in a Community Service Program

This activity involves the provision of child care services to an individual who is participating in a community services program.

3.0 Work and Participation Requirements**3.1 Ready to Engage in Work**

Hawaii requires a parent or caretaker receiving assistance to engage in work when the parent or caretaker is applying for assistance. An applicant's/recipient's work program status is determined at application, eligibility review, and whenever the individual's circumstances have changed. Individuals who are determined to be Work Eligible Individuals (WEI) are referred immediately to the FTW program. All individuals referred to FTW will be selected for services immediately.

Individuals determined to be Other Work Eligible Individuals (OWEI), and thus solely-state funded, because of disability, substance abuse, or domestic violence issues are referred to contracted service providers. These contracted agencies will provide case management and job preparation services. Eligibility for these services is reviewed at application, eligibility review, and whenever the individual's circumstances have changed.

3.2 Community Service Employment

Hawaii does not require community service employment for parents or caretaker relatives who are WEI and not engaged in work after two (2) months on assistance.

3.3 Satisfactory Attendance

Satisfactory attendance for teen heads of households who are attending secondary school or education directly related to employment is defined as up to three (3) unexcused absences per semester. More than three (3) unexcused absences would result in a sanction.

3.3 Child Care Exemption

Hawaii allows an exemption for single custodial parents with a child under the age of six (6) who does not work due to the unavailability of child care. A FTW participant who cannot find suitable child care may be deferred until such time as child care can be located. FTW staff will follow through by eliciting referrals to child care resources and reviewing the case once each month to determine the availability of care. Once care is located, the participant will be activated and required to participate.

3.4 Child Care Not Available

There is no sanction or penalty for a single custodial parent with a child under the age of six (6) who does not work due to the unavailability of child care. A FTW participant who cannot find suitable child care may be deferred until such time as child care can be located. FTW staff will follow through by making referrals to child care resources and reviewing the case

once each month to determine the availability of care. Once care is located, the participant will be activated and required to participate.

4.0 Employment Placement Program

Hawaii is operating an employment placement program. Part of this program involves department staff negotiating job placement opportunities with private and public sector employers. In addition, the department has a contract with the State Department of Labor and Industrial Relations (DLIR) to conduct job development activities on behalf of clients. Clients are also referred to DLIR for Welfare-to-Work opportunities funded through the U. S. Department of Labor.

Also, through the Supporting Employment Empowerment (SEE) program, subsidized employment placements are aggressively pursued and secured to provide FTW participants a subsidized employment placement opportunity. Participants in the SEE program can be placed in a subsidized placement for up to a six month period, unless the Department and employer agree to extend it for up to two (2) additional three (3) month extensions.

5.0 Penalties on Individuals

5.1 Penalty for Noncompliance

When a recipient who is required to participate in the FTW program fails or refuses without good cause to participate in the FTW program, refuses without good cause to accept full-time employment, terminates full-time employment without good cause, or reduces full-time employment to less than full-time without good cause, the entire household shall be sanctioned as follows:

1. For the first such failure to comply, until the failure to comply ceases;
2. For the second such failure to comply, until the failure to comply ceases, or two (2) months, whichever is longer; and
3. For any subsequent failure to comply, until the failure to comply ceases, or three (3) months, whichever is longer.

5.2 Good Cause Provisions

Good cause exists under the following circumstances:

- (1) Child care for a child under six years of age is necessary for the individual to participate or continue participation in the FTW program or accept employment, and such care is not available;
- (2) The employment would result in the family of the participant experiencing a net loss of cash income. Net loss of cash income shall be determined as follows:

- (A) The department shall determine the family's total projected gross income. The total projected gross income shall include, but is not limited to, earnings, unearned income, and cash assistance that would have been received if the individual had not refused or terminated employment;
- (B) The department shall determine the total amount of necessary work-related expenses which would have been incurred if the individual had not refused or terminated employment. Work-related expenses shall include, but is not limited to, mandatory payroll deductions, actual cost of child care, transportation expenses, and cost of meals;
- (C) The necessary work-related expenses shall be deducted from the family's total projected gross income;
- (D) The net income amount determined in subparagraph (C) shall be compared to the financial assistance the family received at the time the offer of employment is made; and
- (E) The department shall determine that there is a net loss of cash income when the net income amount determined in subparagraph (C) is less than the financial assistance the family received at the time the offer of employment is made.

The department may consider other circumstances beyond the individual's control in determining whether there was good cause for non-compliance. Examples of circumstances beyond the individual's control include, but are not limited to:

- (1) Illness of the individual which is verified by a medical statement from a licensed physician or psychologist;
- (2) The individual's presence is required on a continual basis due to the illness of another household member and is verified by a medical statement from a licensed physician or psychologist;
- (3) The individual is experiencing a family crisis or change of individual or family circumstances, such as death of an immediate family member, the family is currently homeless, or the family experienced a natural disaster;
- (4) Unsafe or unfair employment situations or inappropriate assignments that the department determines would not lead to full-employment or self-sufficiency;
- (5) Self-employment that did not produce income equivalent to thirty hours per week or one hundred twenty hours per month of employment at the federal minimum wage after business expenses are deducted;
- (6) There is a breakdown in transportation arrangements with no ready access to alternate transportation;
- (7) The individual ends a sporadic work relationship that does not offer a reasonable possibility for permanent full-time employment and the individual is available to work full-time; or
- (8) The individual's failure was the result of being a victim of domestic violence

5.3 Mandatory School Attendance

Hawaii does impose a sanction on a family for failure to ensure that minor dependent children attend school.

5.4 Secondary Education for Adults

Hawaii does not require and does not impose a sanction on a family that includes an adult who is older than 20 and younger than 51, if the adult does not have and is not working toward a high school diploma or equivalency. However, it is consistent with Hawaii's education policy to allow an adult to work toward a high school diploma or equivalency if combined with a work activity.

6.0 Grievance Procedures

The department has an agreement with the Department of Labor and Industrial Relations to utilize a process that parallels the Joint Training and Partnership Act (JTPA), "Grievance Procedure for Sub-recipients". Grievances include an opportunity for informal resolution.

The informal grievance process is composed of two stages. Complaints are presented to the supervisor of the DHS unit affected by the grievance. This is the unit that services the client whose placement negatively impacted another employee. The unit supervisor must resolve the grievance informally within ten (10) working days. If the complainant is not satisfied with this resolution, they may proceed to the second stage, which is presenting the complaint to the Program Administrator. The Program Administrator must also issue a decision within ten (10) working days.

Persons dissatisfied with attempts at formal resolution may request a hearing with the State. Hearings are conducted by the Department of Human Services, Administrative Appeals Office. The hearing must be held within 30 working days of the filing for an appeal and a decision must be issued within 60 working days of the appeal being filed. Challenges of this decision must be filed with the Administrative Law Judges, U. S. Department of Labor, within 20 working days of receiving an unfavorable ruling from the department's administrative appeal decision.

7.0 Special Populations**7.1 Non-Custodial Minor Parents**

Hawaii does not require non-custodial, non-supporting minor parents to fulfill community work obligations and attend appropriate parenting or money management classes after school.

7.2 Other Populations

Hawaii has contracted services for victims of domestic violence, individuals who are disabled because of substance abuse, and individuals with physical or mental disabilities. Specialists in the appropriate field screen each of these individuals. If they meet the required standards, they are referred for contracted services, which include case management, compliance requirements, treatment, and employment planning.

8.0 Supportive Services**8.1 Supportive Services to Active TANF Recipients**

All TANF recipients who are employed or active with FTW are eligible for a child care subsidy. The subsidy is based on the hours of child care provided or the hours of the parent's employment, whichever is less. Once the need is established, the subsidy is actual cost up to the established maximum by type of care. There is no limit to the length of time that child care can be provided.

See Attachment C-1 for child care payment limits.

In addition to child care, TANF recipients who are active with the First-to-Work Program may be eligible for transportation costs, training and one-time work-related expenses, educational expenses, and treatment services.

See Attachment C-2 for transportation payment limits.

See Attachment C-3 for training and one-time work-related payment limits.

Educational expenses are allowed as paid and verified with the institution. However, the recipient is required to apply for financial aid and to reimburse the department for any duplicative benefits received.

8.2 Supportive Services for Former TANF Recipients

The state provides child care to all TANF families who become ineligible as a result of new or increased earned income. Eligibility for child care continues until the households income exceeds the child care eligibility standard. To meet the child care eligibility standard the household's adjusted gross income must be equal to or less than 85% of state median income.

See Attachment C-4 for child care income eligibility limits.

The state also provides transitional medical for all households who become ineligible for Section 1931 coverage due to new or increased income. These families are eligible for six (6) months of medical with a possible extension of another six (6) months if they meet the

income standard. The income eligibility standard for these families for the second six (6) months is set at 185% of FPL.

See Attachment C-5 for the medical assistance standards.

The State provides medical assistance for participants of Supporting Employment Empowerment (SEE). If the participant does not qualify for QUEST or transitional medical and their income is under 300% of FPL, medical assistance will be provided through our Quest Net program and applicable premiums will be paid by TANF MOE funds. This premium assistance will be provided for a maximum of six (6) months.

The state provides an employment subsidy for individuals who are employed at least 20 hours per week, have received 60 months of benefits and continue to meet the income standards for financial assistance. These individuals may receive \$200 per month for a 60-month period following the 60th month. They are eligible in any month they meet the employment and the income requirements.

Successful TANF recipients who will be exiting the program due to excess income may be eligible for one-time only work related expenses.

See Attachment C-6 for type of expense and dollar limit.

8.3 Support Services for TANF Recipient and Eligible Families

Drug and alcohol non-medical treatment services are available to families up to 300% of the Federal Poverty level for 1993. This change is October 1, 2004.

Healthy Start, Enhanced Healthy Start, and other family support services either as direct TANF or TANF MOE funded services are available to families up to 500% of the Federal Poverty Level for 1993. This change is effective October 1, 2004.

Parenting Skills and Resource Management Training is available to families up to 500% of the Federal Poverty Level for 1993. This change is effective July 1, 2005.

State (General) funded medical services available to children up to 200% of the current or updated Federal Poverty Level of the Department of Human Services. The amount spent on the medical services for these children will be used towards meeting the MOE requirements. This change is effective October 1, 2005.

State (General) funded medical services available to pregnant women up to 185% of the current or updated Federal Poverty Level of the Department of Human Services. The amount spent on the medical services for these pregnant women will be used towards meeting the MOE requirements. This change is effective October 1, 2005.

Case management and transitional services for the homeless families regardless of their income. The homeless families, by the very reason of homelessness, are not subject to the eligibility requirements to receive any of these services. This change is effective October 1, 2004.

9.0 Incentives

9.1 Bonuses or Stipends

Employed TANF recipients active with FTW may receive a month Work Incentive Bonus payment. Work incentive payments shall be made based on the following:

- (1) \$50 for forty hours (ten hours per week average) of paid employment during each month of participation for a one-time period of six consecutive months beginning with the initial month of payment for this work incentive. A participant shall not be eligible for this incentive payment once they have exhausted their six consecutive months;
- (2) \$100 for eighty hours (twenty hours per week average) of paid employment during each month of participation for a one-time period of six consecutive months beginning with the initial month of payment for this work incentive. A participant shall not be eligible for this incentive payment once the participant has exhausted the participant's six consecutive months;
- (3) \$150 for one-hundred twenty hours (thirty hours per week average) of paid employment during each month of participation; and
- (4) \$300 for one hundred sixty hours (forty hours per week average) of paid employment during each month of participation.

9.2 Individual Development Accounts (IDAs)

The department will not administer an Individual Development Accounts (IDAs) program for TANF recipients. However, the department recognizes IDAs established by other approved agencies for the benefit of TANF recipients. The Hawaii Individual Development Accounts Collaboration and Alu Like, Inc. are two (2) agencies in Hawaii that were awarded "Assets for Independence" grants from the U. S. Department of Health and Human Services. We also honor the Housing and Urban Development (HUD) Section 8 development accounts. The department worked with these agencies to develop guidelines and procedures regarding IDAs. The department also promulgated administrative rules to support the IDA program. These rules were finalized on January 22, 2002.

1.0 Continuation of Waivers**1.1 1115 Waiver Demonstrations**

Hawaii's TANF plan basically mirrored welfare reform policies approved as a section 1115 waiver demonstration, and the underlying AFDC and JOBS provisions that were not waived. Hawaii's demonstration project, "Pursuit of New Opportunities (PONO)" Program, was approved on August 16, 1996.

1.2 Demonstration Dates

The PONO waiver was approved as an eight (8) year demonstration project. PONO is the statewide welfare reform program. The program began December 1, 1996 and ended on September 30, 2004.

1.0 Out-of-Wedlock Births

In 1995, the “Children’s Vision”, a benchmarking initiative was started with 6,000 young people describing the type of Hawaii they wanted to live in. In September 1995, the Hawaii Adolescent Wellness Team was formed to attend a two (2) day Maternal and Child Health conference. The Wellness Team committed to developing a holistic framework and resource document. The Hawaii’s Adolescent Wellness Plan – Lualima In Action (or many hands working together) was the result of that commitment. In May 1997, Lualima In Action was finalized as a systemic approach in moving Adolescent Wellness forward on multiple levels. This strategic planning framework, based on best practices approaches, could prevent or reduce critical indicators among adolescents aged 10-18 years. This plan has identified specific goals from inception through the year 2010.

The Department of Human Services is a member of the Adolescent Wellness Team.

Teen Pregnancy Prevention Efforts of the Department of Human Services:

The department has 20 contracts with private providers such as Kapiolani Medical Center for Women and Children and KALO, as well as Memoranda of Agreement (MOA) with various state departments, such as the Department of Defense (DOD), Department of Health (DOH), Department of Education (DOE), University of Hawaii (UH), Office of Youth Services (OYS), and State Foundation on Culture and the Arts. The services encompass the Teen Pregnancy Prevention effort to include alternative activities for children with after-school programs, community-based involvement, and teacher training and course offerings in teen pregnancy prevention curricula. A brief description of each service is provided below.

- **Healthy Lifestyles in Our Community:** The program is in conjunction with the Department of Defense and is designed for at-risk youth between the ages of 5 and 18 years of age to focus on alternative activities, family strengthening, prevention and reduction of out-of-wedlock pregnancies, and drug awareness issues.
- **Kanu O Ka Aina Learning (KALO):** Teen pregnancy prevention and family strengthening services at ten (10) Native Hawaiian charter schools provide remedial, extra-curricular and community services needed to increase school success, decrease out-of-wedlock pregnancy and substance abuse, and increase economic viability. Activities provided are non-credit, voluntary activities and are not part of the State’s free public education curriculum. These services are achieved through contractual agreement with the Native Hawaiian Charter Schools using federal TANF funds.
- **Monitoring and Assessment:** Through the MOA with DOH, to provide guidance and expertise in the realm of teen pregnancy prevention efforts, including monitoring and assessment of teen pregnancy prevention programs and services.

- **Parent and Child Education (PACE) Program:** In a contract with Kapiolani Medical Center for Women and Children, Teen Intervention Program, the department provides a school-based interactive skill-building training program, by way of a puppet show to fifth and sixth graders. The program also provides interactive skill-building teen pregnancy prevention training to parents and/or significant adults.
- **Peer Education Program (PEP) and Graduation, Reality and Dual Skills (GRADS) Training:** In conjunction with the DOE, through the Office of Curriculum, Instruction and Student Support, we are providing training to PEP and GRADS instructors and students in the Making a Difference (MAD) and Reducing the Risk (RTR) curricula.
- **State Foundation on Culture and the Arts (SFCA):** The department entered into an agreement with the SFCA to provide arts and cultural education and other related services that are intended to increase or improve the prevention and reduction of out-of-wedlock pregnancies by “leveling the playing field” for youngsters from disadvantaged circumstances so that such youngsters may avail themselves of the proven ability of the arts to promote life skills and prevent bad decision making.
- **Teacher Development Course:** A professional development course in sexuality through the University of Hawaii, available for public and private school teachers, counselors and administrators from K through 12th grade.
- **Uniting Peer Learning, Integrating New Knowledge (UPLINK):** An activity-based after-school program through an agreement with the DOE, to proactively prevent middle school students from engaging in risky behaviors during the late afternoons when schools are not in session.
- **Youth Service Centers:** Through the MOA with OYS, at-risk youth and their families can feel comfortable accessing a continuum of services and resources during after-school hours, weekends, school intercessions and holidays provided at twelve (12) community-based locations statewide.

Some of the Laulima In Action activities include:

Community Adolescent Wellness Teams: 14 community teams piloted Laulima In Action: In July 1996, developing diverse teams (including youth) and vision statements; reviewing existing needs (including Healthy and Hawaii People 2000 Objectives in the plan) and sharing this with the community; selecting critical indicators; adopting benchmarks; developing action plans and stakeholder agreements.

Basic Concepts in Identifying the Health Needs of Adolescents: Over 800 individuals (30 trained as trainers) worked on improving assessment and communication skills with adolescents. Efforts continue to expand trainers and implementing the curriculum as best practices approach of adolescent wellness initiative. In 2000 and 2001, these activities included the initiation of a new program. "Live Your Life Before You Make One" is a statewide educational campaign aimed at preventing teen pregnancies.

Abstinence Grant: DOH administers the Abstinence-Only Education Grant from the ACF through a contract with the Boys and Girls Club, which implements the nationally recognized "Smart Moves" curricula at 4 sites, targeting 10 – 12 year old youths and their families/significant adults. Peer and adult mentors offer resistance skills education and community prevention teams to support the curricula and program continuance. This program will continue and is in its eighth year.

Peer Helping Peer Model: The Peer Education Program is a collaborative effort between the DOH and DOE in 15 schools statewide. Peer educators are taught healthy decision making skills and provide accurate information to other youth on risky behaviors related to substance use, pregnancy, depression and suicide, HIV/AIDS and STDs. This program will continue to provide standards-based health education.

Middle School Survey and Expansion of High School Youth Risk Behavior Survey: The Middle School Survey was developed and implemented in 1997, and the high school Youth Risk Behavior Survey was expanded to include a sample of private schools in 1997. Middle School (since 1997) and High School (since 1991) surveys continue to be administered in odd-numbered years. A Middle School Survey was implemented in 1999 to assist in benchmarking data and to monitor priority health-risk behaviors of younger youth.

Healthy Children Healthy Communities: Coordinated School Health Program (CSHP): This program initially received Tobacco Settlement funds through the Healthy Hawaii Initiative, and is now being augmented by a Center for Disease Control (CDC) and Prevention Cooperative Agreement with the DOE and DOH. Previously, there was collaboration with the DOE to assure, as part of the Comprehensive Student Support System, early identification of risk-taking behaviors and interventions for healthy behavioral outcomes and educational achievement for Hawaii's youth. Included in this activity is the support for an information and referral hotline. The "Mothers Care Phone Line" offers statewide referrals and information. This activity is continuing.

Public Policy Reform: The Healthy Mothers Healthy Babies Coalition has developed a legislative package and an information package for the general public. Areas of concern include teen pregnancy prevention including abstinence, substance abuse prevention for pregnant women, the Children's Health Insurance program, and injury prevention.

2.0 Statutory Rape

To provide education and training on the problem of statutory rape and to assure that teenage pregnancy prevention programs are expanded in scope to include men, the department:

1. Collaborates with the Child Advocacy Center, County Police Departments and community members in providing training on sexual and physical abuse issues;
2. Participates in planning efforts with community groups whose goals are to decrease the incidence of sexual assault and to provide counseling and treatment to victims, families and offenders;
3. Participates with other state agencies in both juvenile and adult sex offender treatment teams to ensure that offenders receive appropriate treatment to prevent sexual abuse;
4. For family members under the jurisdiction of the department and family court, counseling is provided to educate victims, offenders and other family members in the dynamics of sexual abuse to prevent further abuse.

3.0 Domestic Violence Option

Hawaii has implemented the domestic violence option as outlined in Part B, Section 5.5.

4.0 Non-Custodial Parent Programs

Hawaii does not offer any TANF programs that encourage non-custodial parents to participate in the rearing of their children.

5.0 Family Preservation Services

Hawaii encourages and supports the formation and maintenance of two-parent families. One of the primary hypotheses of the waiver was that families need two incomes to survive in our economy. Hawaii, therefore, decided to run parallel programs for one and two-parent families. There are no penalties for households that include two adults. Compliance with the Child Support Enforcement Agency (CSEA) is a condition of eligibility. Families who fail to comply, without good cause, are ineligible for financial assistance until they comply. Additionally, the department has had discussions with CSEA regarding Welfare-to-Work eligibility for absent parents and financial incentives to encourage participation.

The State of Hawaii will operate a program to provide Temporary Assistance to Needy Families (TANF) so that children may be cared for in their own homes or in the homes of relatives; to end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage; to prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and to encourage the formation and maintenance of two-parent families.

Cash assistance is provided by TANF and work activity is provided by the First-to-Work (FTW) program.

The Chief Executive Officer of the State is Governor Linda Lingle.

CERTIFICATION THAT THE STATE WILL OPERATE A CHILD SUPPORT ENFORCEMENT PROGRAM

The State will operate a child support enforcement program.

CERTIFICATION THAT THE STATE WILL OPERATE A FOSTER CARE AND ADOPTION ASSISTANCE PROGRAM

The State will operate a foster care and adoption assistance program under the State Plan approved under part E and the State will take such actions as are necessary to ensure that children receiving assistance under such part are eligible for medical assistance under the State Plan under title XIX.

CERTIFICATION OF THE ADMINISTRATION OF THE PROGRAM

The Department of Human Services (DHS) is the agency responsible for the administration and supervision of the Temporary Assistance for Needy Families (TANF) program.

The State has given local governments and private sector organizations the opportunity to comment, as required, on the design of the services provided by the program described in this plan. The department also gives notice and seeks comments from the public any time it amends its regulations.

CERTIFICATION THAT THE STATE WILL PROVIDE INDIANS WITH EQUITABLE ACCESS TO ASSISTANCE

The State will provide each member of an Indian tribe, who is domiciled in the State and not eligible for assistance under a tribal family assistance plan approved under section 412, with equitable access to assistance under the State program funded under this part attributable to funds provided by the Federal Government.

CERTIFICATION OF STANDARDS AND PROCEDURES TO ENSURE AGAINST PROGRAM FRAUD AND ABUSE

The State has established and is enforcing standards and procedures to insure against program fraud and abuse, including standards and procedures concerning nepotism, conflicts of interest among individuals responsible for the administration and supervision of the State program, kickbacks, and the use of political patronage.

PUBLIC AVAILABILITY OF STATE PLAN SUMMARY

The State makes the State Plan available to the public on its website.

OPTIONAL CERTIFICATION OF STANDARDS AND PROCEDURES TO ENSURE THAT THE STATE WILL SCREEN FOR AND IDENTIFY DOMESTIC VIOLENCE

The State has elected the option to develop standards and procedures to screen for and identify individuals with a history of domestic violence, while maintaining confidentiality, so that victims of such violence who are receiving assistance may be referred for counseling and supportive services. The State has developed regulations so that victims of domestic violence may be suspended from certain program requirements, such as work requirements and child support cooperation requirements, when compliance would place the individual or other household members in danger of further domestic violence.

Certified by the Governor of Hawaii:

Date

Linda Lingle

Attachment A-1	DHS Organizational Chart
Attachment B-1	DHS 1259 – First-to-Work Referral and Requirements
Attachment B-2	DHS 1242 – TANF Memorandum of Understanding
Attachment B-3	DHS 1260A – Self-Declaration Screening Form to Claim Domestic Violence Victim Status
Attachment C-1	Full and Part-Time Tiered Reimbursement Rates for Child Care
Attachment C-2	DHS 725 - Payment Rates for Transportation and Parking Expenses
Attachment C-3	DHS 736 - On-Going Work Related Expenses
Attachment C-4	Child Care Gross Income Eligibility Limits and Sliding Fee Scale
Attachment C-5	Medical Assistance Standards
Attachment C-6	DHS 737 - One Time Work Related Expenses for Individuals Exiting TANF Due to Employment