

**REPORT TO THE TWENTY-FOURTH HAWAII STATE  
LEGISLATURE 2007**

**IN ACCORDANCE WITH THE PROVISIONS OF ACT 287,  
SESSION LAWS OF HAWAII (SLH) 2006**

**DEPARTMENT OF HUMAN SERVICES  
BENEFIT, EMPLOYMENT, AND SUPPORT SERVICES  
DIVISION  
DECEMBER 2006**

**REPORT SUBMITTED BY THE DEPARTMENT OF HUMAN SERVICES TO  
THE 2007 HAWAII STATE LEGISLATURE TO MEET THE REQUIREMENTS  
OF ACT 287, SLH 2006.**

Act 287, SLH 2006, amended §346-53, Hawaii Revised Statutes (HRS), by increasing the standard of need (SON) from the current 1993 Federal Poverty Level to the 2006 Federal Poverty Level (FPL). The Department is required to re-evaluate the SON during the interim and report its findings and recommendations to the 2007 Legislature.

This amendment affects the payment amount to families as well as the Aged, Blind and Disabled (AABD) singles receiving financial assistance per HRS §346-52 and -53. In addition, the maximum possible General Assistance (GA) payment to persons without children under HRS §346-71 is affected. The Act further authorized the Department to determine what percentage of the 2006 FPL should be issued as payments starting July 1, 2007. The range authorized was from a minimum of 44% to a maximum of 62.5% of the 2006 FPL for exempt families. For all other households, the range authorized was from a minimum of 34 % to a maximum of 62.5% of the 2006 FPL.

The Department is proposing that we pay benefits at 50% of the 2006 FPL for all programs. This increase would raise the maximum payment for a GA or AABD single from \$418 per month to \$469 per month. The maximum for a single adult with two children (our average single adult household size under our Temporary Assistance to Needy Families/ TANF program) would increase from \$712 per month to \$795 per month. The maximum payment for a two-adult household with two children (our average two-adult household size under our Temporary Assistance to Other Needy Families/ TAONF program) would increase from \$859 to \$958 per month.

The SON has not been raised in over 10 years since 1993 and has been capped at the maximum of 62.5% of the 1993 FPL since 1993 which is equivalent to only 44% of the 2006 FPL. Including other possible benefits such as Medicaid and food stamps, raising the SON to 50% of the 2006 FPL will be a good first step in adjusting for the cost of living increases since 1993. Additionally, with this increase in payments, beneficiaries will be closer to meeting a minimal standard of living. Best of all, with this increase and the new bonuses for working under the Reward Work Initiative just implemented this year, financial assistance recipients will be able to move ahead and better achieve self-sufficiency.

We are not requesting additional general funds for our TANF and TAONF households. The expenditures will increase but they will remain within our Legislative appropriation. We will, however, require an increase in general funds for our AABD and GA households in the total amount of \$2,211,960 to establish the maximum possible payments at 50% of the 2006 FPL.

If the Legislature makes the recommended appropriation to raise the SON, the increased payment standard is to be effective July 1, 2007. We will monitor our cases for this year

to see what impact caseload changes and federal welfare reform has on our budgets.  
With this additional data, we will be better able to project for future needs and programs.

We have attached the 2006 FPL by family size and the projected payment amounts based on the percentage paid as a benefit.

Attachment 1

Federal Poverty  
Guidelines for  
Hawaii  
2006

Size	Annual SON	Monthly SON	SFY 2007									
			SOA 62.5%	20% Reduction	50.0% Reduction	20% 40.0% Reduction	20% 30.0% Reduction	20% Reduction	*44.8% Reduction	20% Reduction		
1	\$11,270	\$939	\$586	\$469	\$469	\$376	\$375	\$300	\$281	\$225	\$420	\$336
2	15,180	\$1,265	\$790	\$632	\$632	\$506	\$506	\$405	\$379	\$304	\$566	\$453
3	19,090	\$1,590	\$993	\$795	\$795	\$636	\$636	\$509	\$477	\$382	\$712	\$570
4	23,000	\$1,916	\$1,197	\$958	\$958	\$767	\$766	\$613	\$574	\$460	\$858	\$687
5	26,910	\$2,242	\$1,401	\$1,121	\$1,121	\$897	\$896	\$717	\$672	\$538	\$1,004	\$804
6	30,820	\$2,568	\$1,605	\$1,284	\$1,284	\$1,028	\$1,027	\$822	\$770	\$616	\$1,150	\$920
7	34,730	\$2,894	\$1,808	\$1,447	\$1,447	\$1,158	\$1,157	\$926	\$868	\$695	\$1,296	\$1,037
8	38,640	\$3,220	\$2,012	\$1,610	\$1,610	\$1,288	\$1,288	\$1,031	\$966	\$773	\$1,442	\$1,154
Add	\$3,910	\$325	\$203	\$163	\$162	\$130	\$130	\$104	\$97	\$78	\$145	\$116

\* 44.8% is equal to the current benefit payment amount based on 62.5% of the 1993 FPL  
SON - Standard of Need      SOA - Standard of Assistance