

Overview of TANF Policy: In 2020, Hawaii provided TANF cash support to 34% of families with children living below the poverty level, higher than the national average (21%).¹ The state provides a maximum benefit of \$763 for a family of three, which is reduced to \$610 after the family has received two full months of benefits. Based on the adjusted 2024 Federal Poverty Level, or FPL, this is a decline in benefits from 31% to 25% FPL. According to a report from the Department of Health and Human Services, as of 2021 **the state held TANF funds in reserve of \$402,337,994; the state received \$98,578,402 in federal block grants the following year, 2022.**²

The state **does not require an asset test** for families applying for cash assistance, and it **maintains the federal 60-month lifetime** on TANF cash assistance. In addition, Hawaii has **eliminated the eligibility ban for those convicted of drug-related felonies.**

Assessment of TANF Policy: By **increasing maximum benefits**, Hawaii could lift more parents and children above the poverty level during periods of financial setback or acute need. **Mandating recurring benefit increases tied to inflation or cost-of-living assessments** would also ensure adequate support for families in the future.

Hawaii may also consider **eliminating TANF's full-family sanctions** by reducing rather than terminating benefits for parents not fulfilling the program's work requirements, as more states are doing.

Finally, the state could **provide cash assistance to pregnant people without children earlier in pregnancy.** This cash support is especially important for families during pregnancy because it helps relieve parental stress and build positive developmental outcomes for children beginning in very early childhood.³

¹ For more on TANF-to-poverty ratios, see <https://www.cbpp.org/research/income-security/state-fact-sheets-trends-in-state-tanf-to-poverty-ratios>.

² Block grants and spending priorities for 2022 for all states are accessible here: <https://www.acf.hhs.gov/ofa/data/tanf-and-moe-spending-and-transfers-activity-fy-2022>.

³ For research detailing effects of some state-level TANF policies and administrative practices on children and families, see <https://www.nccp.org/ec-profiles-pes-policies-related-research-and-resources/#parenting>.

Hawaii’s Cash Assistance (TANF) policy: Family Independence Temporary Assistance Program		
HOW MUCH CASH ASSISTANCE CAN A FAMILY OF THREE RECEIVE?		
Flexibility	Current policy	Potential improvement
<p>Maximum benefit allowed</p> <p>What is the maximum monthly amount a family of three could receive in cash assistance?</p>	<p>\$763, but reduced to \$610 after the family has received two full months of benefits (a reduction from 31% to 25% FPL under Hawaii’s 2024 guidelines).</p>	<p>Increase the maximum benefit level.</p> <p>Example: California’s maximum payment for a family of three is \$1,171/month, or 51% FPL.</p>
<p>Recurring benefit increases</p> <p>Has the state mandated increases to these amounts in future, as the cost of living rises?</p>	<p>No. Hawaii has not updated its Standard of Need since 2006.</p>	<p>Make recurring increases to the state’s Standard of Need or benefit amounts, tied to a cost-of-living or poverty measurement.</p> <p>Example: Ohio requires scheduled cost-of-living updates to TANF benefit amounts each year on January 1st.</p>
WHO IS ELIGIBLE FOR CASH ASSISTANCE?		
Flexibility	Current policy	Potential improvement
<p>Maximum income</p> <p>How much can a family of three earn and still be considered eligible to receive cash assistance?</p>	<p>A family’s gross income cannot exceed 185% of Hawaii’s FPL from 2006 (\$1,590/month for a family of three). A family of three cannot earn more than \$2,942/month to apply for the benefit.</p> <p>Then, the family’s net income must be less than 48% of the standard of need (or \$763/month for a family of three).</p>	<p>Update the maximum income benchmark to provide more families with support.</p> <p>Example: In Alaska, a family of three can earn up to \$5,156/month.</p> <p>Remove the gross income test to simplify administrative burdens and apply a more generous net income limit.</p>

		Example: Minnesota applies a net income test at only 70% FPL so that a family of three can qualify with a net income of \$1,793.
Asset limit How much can a family maintain in savings while still being eligible for cash assistance?	There is no limit.	N/A
Eligibility during pregnancy for parents without children Are pregnant people with no children in the household eligible for cash assistance?	Yes, from the ninth month of pregnancy	Consider providing cash assistance earlier in pregnancy. Example: California provides pregnant people with the benefit from the first month.
ADDITIONAL RULES AND RESTRICTIONS		
Flexibility	Current policy	Potential improvement
Time limit Does Hawaii allow families to receive cash assistance up to the federal limit of 60 months?	The lifetime limit is 60 months.	N/A
Lifting full-family sanctions Are other family members able to continue receiving cash benefits if an adult does not meet work requirements?	If a parent is noncompliant with work requirements for two months, the case can be closed.	Lower the benefit amount in place of full-family sanctions if parents do not meet work requirements (e.g., Illinois).
Lifting drug felony bans Are persons convicted of drug-related felonies eligible for cash assistance?	Yes.	N/A
Lifting the family cap for a new birth Can families receive additional	Yes.	N/A

cash assistance if they have another child while receiving assistance?		
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