



Financial Eligibility Rules for TANF Cash Assistance

Hawaii

I. Rules Used to Determine Recipients' Ongoing Eligibility and Benefit Levels

Asset Test

Recipients must have countable assets below \$5,000.

For recipients who own a car, the value of one car is excluded entirely from countable assets. The entire equity value of second and additional cars is counted as an asset.

Gross Income Limit

All recipients are subject to a gross income test. Gross monthly income (total income with no deductions) must fall below the following amounts:

<u>Gross Income Limits by Family Size</u>			
<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
\$1,240	\$1,674	\$2,109	\$2,544

Benefit Calculation

A recipient's benefit equals the difference between countable income (income after specified deductions) and the maximum benefit. If countable income exceeds the maximum benefit, the family is not eligible for assistance.

Countable income equals gross monthly income less the following deductions:
— 20% of earnings plus \$200 plus 36% of remaining earnings

Maximum Benefit Levels

Maximum monthly benefit levels vary for different groups of families:

	<u>Family Size</u>			
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
Families subject to the work requirement, after receiving benefits for two months	\$335	\$452	\$570	\$687
Families in the first two months of assistance, and all families exempt from the work requirement	\$418	\$565	\$712	\$859

II. Rules Used to Determine Applicants' Initial Eligibility

Asset Test

Applicants must meet the same asset test as recipients, listed above.

Gross Income Limit

All applicants are subject to the gross income test shown above for recipients.

Net Income Test

An applicant's net income (income after specified deductions) must fall below the standard of need for a family of its size. If net income is below the limit, the applicant is eligible for assistance, and benefits are calculated as described above for recipients.

Net income equals gross monthly income less 20% of earnings, unless the applicant received assistance in the prior four months. If so, the deduction equals 20% of earnings plus \$200 plus 36% of remaining earnings.

The standards of need by family size are as follows:

	<u>Family Size</u>			
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
	\$1,240	\$1,674	2,109	\$2,544

III. Other Rules Affecting Eligibility or Benefit Levels

Treatment of Child Support Income

Child support payments are retained by the state as reimbursement for cash assistance payments. If child support payments exceed the maximum benefit, the family is ineligible.

Treatment of Housing Assistance

Eligibility and benefits are not affected by a family's actual housing costs or by residence in subsidized housing.

Treatment of SSI as Income

As under AFDC, a family member receiving SSI benefits is excluded from the assistance unit. The SSI recipient's income and resources are not considered when determining eligibility or benefits for the rest of the family.

Treatment of EITC Benefits Received

As under AFDC, an EITC payment received by a family member - whether as a lump sum at the end of the year or through advance payments - is not counted as income for any purpose. Lump sum EITC payments are counted as assets starting in the second month after the month of receipt.

Lump Sum Income

As under AFDC, when a family receives a non-recurring lump sum payment, such as a personal injury award or lottery winnings, the family is ineligible for assistance for a period of months equal to the lump sum divided by the state's need standard.

Individual Development Accounts

State policy does not authorize Individual Development Accounts (IDAs) for TANF-eligible families.

NOTE: According to Hawaii's 1999 TANF plan, the state will develop regulations to support IDAs for TANF recipients administered by approved organizations.