



**STATE OF HAWAII  
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

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To: The Honorable John M. Mizuno, Chair  
and Members of the House Committee on Human Services

Date: Monday, February 2, 2009

Time: 8:15 a.m.

Place: Conference Room 329  
State Capitol

From: Darwin L.D. Ching, Director  
Department of Labor and Industrial Relations

**Testimony in Support of H.B. 1087 - Relating to Family Leave**

**I. OVERVIEW OF PROPOSED LEGISLATION**

H.B. 1087 transfers the Office of Community Services from the Department of Labor and Industrial Relations to the Department of Human Services.

**II. CURRENT LAW**

The Office of Community Services is currently administratively attached to the Department of Labor and Industrial Relations.

**III. HOUSE BILL**

The Department supports the H.B. 1087 for the following reasons:

1. The Department recognizes that supportive services and programs for low income, immigrant and refugee groups now comprise much of the Office of Community Services overall budget and programming.
2. The Department recognizes that certain groups of people require a more diverse range of services to obtain self sufficiency. By moving from the Department of Labor and Industrial Relations to the Department of Human Services, the Office of Community Services can provide a more holistic approach to remedying the problems facing their clientele.



**EXECUTIVE CHAMBERS**  
HONOLULU

LINDA LINGLE  
GOVERNOR

Testimony of  
**Linda L. Smith**  
Senior Policy Advisor to the Governor

Before the  
**HOUSE COMMITTEE ON HUMAN SERVICES**  
Monday, February 2, 2009, 8:15 a.m.  
Room 329, State Capitol

In consideration of  
**H.B. 1087 RELATING TO THE OFFICE OF COMMUNITY SERVICES**

Chair Mizuno, Vice Chair Brower, and members of the Committee, thank you for the opportunity to provide testimony in support of this administration proposal, H.B. 1087, which will transfer the Office of Community Services (OCS) from the Department of Labor and Industrial Relations (DLIR) to the Department of Human Services (DHS).

Since its inception in 1985, the Office of Community Services has assisted low-income persons, refugees, and immigrants within the community. Over the years, the Office's programs have expanded beyond employment training to include food distribution, transportation, childcare, and disability advocacy. As the range of assistance provided by OCS expanded, so has the level of collaboration with DHS. Consequently, the primary functions of OCS more readily correspond to the objectives and responsibilities of DHS than the DLIR. Like OCS, DHS is responsible for administering federal programs that help the low-income, immigrant, refugee, and disadvantaged persons. By becoming an attached agency to DHS, OCS will be able to collaborate with other human service agencies and providers in the State and private sectors, thus increasing the overall effectiveness and quality of service provided by the Office.

House Bill 1087 will improve the delivery of key human services to our community. The Administration strongly supports passage of this bill and appreciates the opportunity to testify on this important measure.



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### **Testimony of the Office of Community Services**

Good Morning Chair Mizuno, Vice Chair Brower and members of the committee,

My name is Sam Aiona and I am testifying as the Executive Director of the Office of the Community Services in support of HB 1087. The Office of Community Services, as you know or found out from your briefings, currently administers over seventy contracts in eighteen program areas to ensure the self-sufficiency of low-income persons, refugees, and immigrants. As the Governor mentioned in her state-of-the-State address, it is time for officials of the State to elevate our leadership roles. Offices like our own, which specialize in disadvantaged clients, will be called upon to improve and expand our services while at the same time keeping a tight rein on our spending. We believe that these goals, seemingly at odds with each other, can be accomplished with an administrative move to the Department of Human Services.

OCS was created in part to consolidate a number of programs that deal with economic and personal self-sufficiency, as well as community building. At the time of our establishment, the chief indicator of self-sufficiency was the attainment and maintenance of employment. Our focus then was on programs that trained and readied people for employment, our so-called "Employment Core" services. The definition of "Employment Core" fit well with the Department of Labor and Industrial Relations, to which we became administratively attached. Given our flexibility as an attached agency and our broad mission statement, over time OCS acquired and developed supportive services and programs linked to Employment Core services, and appropriately to the low-income, immigrant and refugee population. As the Office's identity emerged, employment training became a component in a more holistic approach to self-sufficiency.

At present, the number of people served by our Employment Core Services in FY 08 numbered slightly over 1,900 individuals, while the number of persons served by other programs in OCS numbered well over 25,000. Though Employment Core is still an important component of our total program package, it is no longer overwhelmingly the focus of our Office. Therefore, our program mission no longer aligns with that of the Department of Labor. OCS, under DHS, would be able to expand upon the good work we do under the DLIR by proposing new, more expansive measures of effectiveness that go beyond the narrower focus of the DLIR's mission.

We believe that Governmental programs should be constantly evaluated. A move to the Department of Human Services, we believe, would create certain efficiencies that would benefit the State and the clients we serve. Though not consolidation in the strictest sense, programs such as First-to-Work (administered by BESSD) and Employment Core would work together to provide a seamless continuum of services for those that progress from below the Federal poverty

line up to 150% of that standard. A continuum such as this could conceivably be administered by a few specialized employees, saving administrative costs. An added benefit of OCS being an attached agency is that in tough economic times, such as those we may yet face, we can adjust our client eligibility standards to consider Hawai`i's economy in relation to the Federal standard.

For our clientele, multiple contracts for similar services awarded to a single service provider would reduce the amount of paperwork required, reduce the amount of accounting hours by DAGS, streamline payment and encumbrance procedures, and reduce the workload on the Procurement Office, streamlining contracting. Also, an enduring relationship between an experienced administrator and the service providers could lead to innovative new programming, institutional memory, and smoother, more educated contract negotiation.

These are a few things OCS believes we can accomplish by re-establishment under the auspices of the Department of Human Services. We humbly ask for your support of House Bill 1087. I thank you for your time and am available to answer any questions you may have.



**HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL**

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To: Committee on Human Services  
Date: Monday, February 2, 2009  
Time: 8:15 a.m.  
Place: Conference Room 329 – State Capitol

**Re: TESTIMONY OF GEROGE YOKOYAMA IN SUPPORT OF HB 1087**

Honorable Chairperson and Members of the Committee,

On behalf of Hawaii County Economic Opportunity Council (HCEOC), a community action agency, I testify in support of House Bill 1087 which transfers the Office of Community Services (OCS) from the Department of Labor and Industrial Relations (DLIR) to the Department of Human Services (DHS). State Offices of Community Services work together with local CSBG providers to prepare annual State Plans that address employment, education, income management, housing, nutrition, emergency services, and health, services that are more aligned with the function and purpose of the DHS than the DLIR.

Since the establishment of OCS, state general funds for OCS activities has been significantly reduced from \$8.5 million to \$3.5 million, a cut of \$5 million due to non-federal general revenue shortfall and discretionary budget restrictions imposed upon State departments. OCS budget restrictions are passed down to agency providers and the disadvantaged population served.

The transfer of OCS to DHS increases the overall effectiveness of federal and state funds, creates an opportunity for one-stop services to enable the public to access social services programs, and enhances coordination and efficiencies between human services programs.

Thank you for the opportunity to testify.

George Yokoyama  
Executive Director  
Hawaii County Economic Opportunity Council