



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

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March 16, 2009

To: The Honorable Karl Rhoads, Chair
and Members of the House Committee on Labor

Date: Tuesday, March 17, 2009

Time: 8:30 a.m.

Place: Conference Room 309
State Capitol

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

Testimony in Support of S.B. 905 SD2 - Relating to the Office of Community Services

I. OVERVIEW OF PROPOSED LEGISLATION

S.B. 905 SD 2 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 S.B. 905 SD 2 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.

LINDA LINGLE
GOVERNOR



LILLIAN B. KOLLER, ESQ.
DIRECTOR
HENRY OLIVA
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

March 17, 2009

MEMORANDUM

TO: The Honorable Karl Rhoads, Chair
House Committee on Labor & Public Employment

FROM: Lillian B. Koller, Director

SUBJECT: **S.B. 905, S.D. 2 – RELATING TO THE OFFICE OF COMMUNITY SERVICES**

Hearing: Tuesday, March 17, 2009; 8:30 a.m.
Conference Room 309, State Capitol

PURPOSE: The purpose of S.B. 905, S.D. 2 is to transfer the Office of Community Services from the Department of Labor and Industrial Relations to the Department of Human Services.

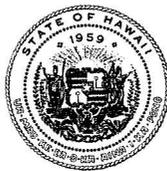
DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports this Administration-sponsored bill. The transfer of the Office of Community Services (OCS) from the Department of Labor and Industrial Relations (DLIR) to the Department of Human Services (DHS) will strengthen and improve the delivery of human services programs.

We believe that the primary functions of OCS more readily correspond to the mission, objectives and responsibilities of DHS, which is to provide timely, efficient and effective programs, services, and benefits, for the purpose of achieving the outcome of empowering those who are the most vulnerable in our State to expand their capacity for

self-sufficiency, self-determination, independence, healthy choices, quality of life and personal dignity.

DHS is the appropriate placement for OCS and since they offer programs that give low-income persons, disadvantage persons, refugees, immigrants, and homeless individuals the tools to attain self-sufficiency, such as employment and job training and child care. This realignment will improve the Department of Human Services' coordination and delivery of services to both singles and families.

Thank you for the opportunity to provide comments on this bill.



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Testimony of the Office of Community Services

Good Afternoon Chair Rhoads and Vice Chair Yamashita 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 SB 905. The Office of Community Services currently administers over seventy contracts in eighteen program areas to ensure the self-sufficiency of low-income persons, refugees, and immigrants. As the Budget forecast darkens, 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.

How much money will we save the State? It behooves each and every State agency to come up with immediately quantifiable savings for every administrative action taken. Unfortunately, we can only promise that this bill will be, at worst, revenue neutral. Our closer proximity to DHS and our ability to expand our goals and mission may create opportunities for OCS to qualify for additional Federal Funding, bringing more money to the State. In terms of

State government, 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. Finally, and perhaps most importantly, alleviating barriers for low-income persons and acculturating immigrants and refugees will create taxpaying, productive citizens who are cognizant of the law and respectful of the society they chose to live in. This will save untold amounts of money in legal fees, welfare, health care, and numerous other services upon which many of these clients depend.

OCS appreciates and is indebted to the Department of Labor and Industrial Relations and its administrators for the benefits our office has enjoyed. Nevertheless, the new global economy brings increasingly complex issues, immigrants from new corners of the world, and complicated regulatory frameworks that compound the challenges to our clientele. Though employment is still very important and will remain so, the move to DHS will allow our Department to expand its capacity to meet each and every one of our client's challenges. This bill is part of the Administration's efforts to streamline and reorganize current governmental structure to best serve our clients. I thank you for your time and am available to answer any questions you may have.

To: The Honorable Karl Rhoads, Chair
The Honorable Kyle Yamashita, Vice Chair
House Committee on Labor and Public Employment

From: Danielle Moskowitz, Vice President of Human Services
Laura Robertson, President/CEO
Goodwill Industries of Hawaii, Inc.

Date: March 13, 2009

Re: **Testimony in support of S.B. 905 SD2 – Relating to the Office of Community Services**

We applaud the legislature for its leadership in the area of supporting human services. The Office of Community Services (OCS) has demonstrated leadership in its innovative programs to support immigrant populations to attain self-sufficiency. Integrating OCS within the Department of Human Services will provide one-stop ease of access for people seeking those services while helping realize efficiencies in social services delivery.

Goodwill Industries of Hawaii is a 501(c)3 non-profit organization providing educational and career development programs. Goodwill works with people who have employment barriers, including welfare dependency, economic and resource barriers, lack of education/work experience, illiteracy and disadvantaged youth. Last year, Goodwill served more than 9,400 individuals throughout the state in its career development and training programs and placed over 1,800 into jobs.

Thank you for this opportunity to provide testimony on this matter.



CATHOLIC CHARITIES HAWAII

TO: Representative Karl Rhoads, Chair
Representative Kyle T. Yamashita, Vice Chair
Committee on Labor & Public Employment

FROM: Diane M. Terada, Division Administrator

DATE: Tuesday, March 17, 2009 (8:30 a.m., Room 309)

RE: **SB 905, SD2, Relating to the Office of Community Services**

Catholic Charities Hawaii (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawaii for over 60 years. The Agency has two contracts with the Office of Community Services (OCS) to provide Employment Core Services for immigrants on the islands of Oahu and Hawai'i.

CCH is also a member of the Inter Agency Council, which has representation from: United States Citizenship & Immigration Services (USCIS), Department of Health, Kalihi-Palama Health Center, Office of Language Access, Office on Equality and Access to the Courts, Kokua Kalihi Valley, Na Loio, Office of Community Services, Parents and Children Together, Social Security Administration, Domestic Violence Action Center, U.H. Family Services Center, and Catholic Charities Hawai'i. The purpose of the Inter Agency Council is to work together to advocate for the needs of immigrants.

In accordance with the position of the Inter Agency Council, Catholic Charities Hawai'i **supports** the transfer of the Office of Community Services (OCS) from the Department of Labor and Industrial Relations (DLIR) to the Department of Human Services (DHS) and respectfully requests that the **following concerns be noted:**

- 1) That the transfer not affect the ability of OCS to maintain their pattern of efficient and timely payment to services providers;
- 2) That the transfer not result in any cuts to immigrant program funding nor attempts to have services for immigrants absorbed into low income persons programs.
- 3) That the concept of self-sufficiency will continue to include job creation as well as regular employment programs; and
- 4) That the OCS milestone payment system will be operated on realistic milestone objectives.

If additional information is needed, please feel free to contact me via phone at 595-5901 or via email at diane.terada@catholiccharitieshawaii.org. Thank you for this opportunity to provide testimony.

Hawaii Immigrant Justice Center

(Formerly known as Na Loio)

Serving Hawaii's Immigrant Families and Children

To : Committee on Labor and Public Employment
From : Robin H. Kobayashi, Hawaii Immigrant Justice Center
RE : SB 905
Date : March 16, 2009

The Hawaii Immigrant Justice Center supports SB 905, which transfers the Office of Community Services ("OCS") to the Department of Human Services ("DHS").

The Justice Center believes this transfer should occur for the following reasons:

- The mission of OCS is better aligned with DHS than the Department of Labor and Industrial Relations ("DLIR");
- The transfer of OCS to DHS will strengthen the delivery of services to the needy and indigent;
- Both departments, DHS and DLIR, agree that OCS belongs with DHS; and
- Programs supported by OCS will be better protected under DHS than with DLIR.

Please transfer OCS to DHS by passing SB 905.