SILVIA LUKE LIEUTENANT GOVERNOR



STATE OF HAWAI'I KA MOKU'ĀINA O HAWAI'I DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS KA 'OIHANA PONO LIMAHANA OFFICE OF COMMUNITY SERVICES 830 PUNCHBOWL STREET, ROOM 420 HONOLULU, HAWAII 96813 <u>www.hawaii.gov/labor</u> Phone: (808) 586-8675 / Fax: (808) 586-8685 Email: dlir.ocs@hawaii.gov

March 28, 2023

WILLIAM G. KUNSTMAN DEPUTY DIRECTOR

JOVANIE DOMINGO DELA CRUZ EXECUTIVE DIRECTOR

IN REPLY, REFER TO: OCS 23.1139

To: The Honorable Kyle T. Yamashita, Chair, The Honorable Lisa Kitagawa, Vice Chair, and Members of the House Committee on Finance

Date: Wednesday, March 29, 2023

Time: 2:00 p.m.

Place: Conference Room 308, State Capitol & Videoconference

From: Jovanie Domingo dela Cruz, Executive Directory DLIR – Office of Community Services

Position: Support with proposed amendments

Re: S.B. 303, SD 1 Relating to the Funding of Grants Pursuant to HRS Chapter 42F

Aloha, Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

I. OVERVIEW OF PROPOSED LEGISLATION

This bill is the shell for the overall operational and capital improvement grants to public-interest non-profit agencies that the Legislature contemplates making pursuant to HRS Chapter 42F for the 2023 Session of the Legislature.

At present, the names of the prospective grantees have not yet been identified, nor have the dollar amounts or purposes of the grants been identified.

II. CURRENT LAW

The Legislature routinely makes Chapter 42F grants when funds are available. The Office of Community Services (OCS) has frequently been assigned to be the State expending agency to oversee Chapter 42F grants in both categories – grants for operations and grants for capital improvement projects. S.B. 303, SD 1 Relating to the Funding of Grants Pursuant to HRS Chapter 42F March 28, 2023 Page 2

III. COMMENTS ON THE BILL

The Office of Community Services **supports** S.B. 303, S.D. 1, and proposes one pair of amendments to SECTION 10 of the bill, so that it would read as follows:

SECTION 10. With the approval of the governor, designated expending agencies for capital improvement projects **and grants for operating expenses** authorized in this Act may delegate to other state or county agencies the implementation of projects **and oversight of operating expenditures** when it is determined advantageous to do so by both the original expending agency and the agency to which expending authority is to be delegated; provided that the governor shall submit a report to the legislature of all uses of this authority for the previous twelve-month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2024 and 2025.

The purpose of this pair of amendments is to ensure that the State's responsibility for overseeing grants for operating expenses may be transferred from one expending agency to another, in the same manner as oversight responsibility for capital improvement projects may be transferred.

The reasons for this proposal are the same as underlie the established policies and procedures for transfer of oversight over capital improvement projects, namely: (1) another agency may have the needed technical expertise to oversee a grantee's operations than the agency that has initially been assigned as the expending agency; (2) another agency might already be overseeing related grants for the grantee, and consolidation of administrative oversight might promote efficiencies; and (3) other workload issues may exist that would indicate that transfer of administrative oversight would be recommended.

Thank you very much for the opportunity to testify on this important bill.



March 27, 2023

Rep. Kyle T. Yamashita, Chair Rep. Lisa Kitagawa, Vice Chair Testimony to the House Committee on Finance Wednesday, March 29, 2023; 2:00 pm. State Capitol, Conf. Room 308 & via Videoconference

RE: Senate Bill 0303 SD1– RELATING TO THE FUNDING OF GRANTS PURSUANT TO CHAPTER 42F, HAWAII REVISED STATUTES

Aloha Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

On behalf of the Epilepsy Foundation of Hawaii (EFH), we urge your **SUPPORT of Senate Bill 0303 Senate Draft 1**, RELATING TO THE FUNDING OF GRANTS PURSUANT TO CHAPTER 42F, HAWAII REVISED STATUTES.

Epilepsy Foundation of Hawaii is an independent 501(c)(3) non-profit organization whose mission is to advocate and provide services for the almost 14,000 individuals living with epilepsy throughout Hawaii, along with their caregivers and community. Collectively, we foster the wellbeing of children and adults affected by seizures through research programs, educational activities, advocacy, and direct services. Epilepsy is a medical condition characterized by seizures, which are sudden surges of electrical activity in the brain, that affects a variety of mental and physical functions. Approximately 1 in 26 Americans will develop epilepsy, and approximately 1 in 10 people will experience a seizure, at some point in their lifetime.

Grant-in-aid will provide critical funding to expand EFH's programs and services that support individuals living with epilepsy, their caregivers, and community. EFH has submitted a GIA application to increase Seizure Recognition and First Aid public and community training, resource materials, and the annual Hawaii Epilepsy Education Conference.

Epilepsy is the 4th most common neurological disorder after migraine, stroke, and Alzheimer's disease and is more prevalent than autism spectrum disorder, cerebral pals, MS and Parkinson's disease. The challenges of living with epilepsy are vast. The unpredictability of seizures, the intensity of medical interventions, and the ongoing stigma presented within our communities, across cultures, gender and socio-economic status, present unique challenges.

Achieving our goals and objectives through this funding opportunity will add to the waves of making Hawaii a seizure safe community.

Our mission is to lead the fight to overcome the challenges of living with epilepsy and to accelerate therapies to stop seizures, find cures, and save lives. **Please learn more about our advocacy work at epilepsy.com/advocacy.**



On behalf of the Epilepsy Foundation of Hawaii and our Board of Directors, we humbly thank you for the opportunity to testify.

Mahalo nui loa,

Nurm Manuel

Naomi Manuel Executive Director Epilepsy Foundation of Hawaii

Our mission is to lead the fight to overcome the challenges of living with epilepsy and to accelerate therapies to stop seizures, find cures, and save lives. **Please learn more about our advocacy work at epilepsy.com/advocacy.**



CATHOLIC CHARITIES HAWAI'I

TO: Representative Kyle T. Yamashita, Chair Representative Lisa Kitagawa, Vice Chair House Committee on Finance

FRM: Rob Van Tassell, President and CEO

DATE: Wednesday March 29, 2023, 2:00 p.m. Via Videoconference/Conf Rm 308

RE: <u>SUPPORT for SB 303, SD1, Relating to the Funding of Grants</u> <u>Pursuant to Chapter 42F, Hawai'i Revised Statutes</u>

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing supportive home and community-based services to elders since 1973 and currently serves approximately 5,000 older persons each year. **CCH supports SB 303, SD1**, to provide Grant In Aids (GIAs) that are in the public interest and provide for the public health, safety, and general welfare.

Like many other health and social service organizations, CCH provides essential services that help to keep Hawai'i residents safe, healthy and independent. While nonprofits, like CCH, seek and receive funding from private donors and foundations, and other government funding sources, State GIA funding is a key source of support that is necessary to keep program operating and serving people in need.

CCH has submitted a request for a Grant-in-Aid of \$275,000 to support the operations of its program, Lanakila Multi-Purpose Senior Center. If funded, we request that the GIA be assigned to the expending agency, Department of Health/Executive Office on Aging (HTH904).

The Center provides education, recreation and social services for older adults, age 60+, to support their ability to live independently in the community and avoid costly institutional care. *The Center is a cost-effective way to keep seniors well in the community and out of institutional care. As a comparison, the requested GIA amount of \$275,000 is less than the annual cost of providing nursing home care for two (2) elders!*^{*i*}

Catholic Charities Hawai'i asks for your support for SB 303, SD1. If there are any questions, please contact Diane Terada, Division Administrator, at phone: 808-527-4702 or via email at <u>diane.terada@catholiccharitieshawaii.org</u>. Thank you for your consideration of this request. Mahalo.

ⁱ Genworth Cost of Care Survey, Hawaii – State (2021): <u>https://www.genworth.com/aging-and-you/finances/cost-of-care.html</u> - Semi-Private Room = \$159,015; Private Room = \$169,360.







Testimony to the House Committee on Finance Wednesday, March 29, 2023; 2:00 p.m. State Capitol, Conference Room 308 Via Videoconference

RE: SENATE BILL NO. 0303, SENATE DRAFT 1, RELATING TO THE FUNDING OF GRANTS PURSUANT TO CHAPTER 42F, HAWAII REVISED STATUTES.

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA <u>SUPPORTS</u> Senate Bill No. 0303, Senate Draft 1, RELATING TO THE FUNDING OF GRANTS PURSUANT TO CHAPTER 42F, HAWAII REVISED STATUTES.

By way of background, the HPCA represents Hawaii's Federally Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines to over 150,000 patients each year who live in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

The bill, as received by your Committee, would appropriate funds for fiscal year 2023-2024 for grant-in-aid program operations and capital improvements. It would take effect on July 1, 2050.

The COVID-19 pandemic placed an unprecedented strain on Hawaii's social safety net. It effectively shut down the economy and forced many businesses to close. For those fortunate to remain open, many needed to lay off workers and fundamentally change the way they conducted business.

Social service nonprofit organizations saw enormous increases in demand for services caused by increased unemployment. They also needed to provide these services at a time when their revenues declined significantly. Private donations, the life blood for many of Hawaii's nonprofits, dried up. The State of Hawaii did not authorize any grant in aid during the Regular Sessions of 2020 and 2021. And while the federal government provided various loans and stimulus payments to ease immediate program demands, most nonprofits have had to set aside capital and development needs to focus solely on getting the most essential services out to the greatest number of clients in the shortest period of time.

Testimony on Senate Bill No. 0303, Senate Draft 1 Wednesday, March 29, 2023; 2:00 p.m. Page 2

Because of the changes made to the State Budget and as the economy slowly recovered, Hawaii's ability to generate revenue began to improve. Visitors returned to the State and construction picked up even more. During the 2022 Regular Session, general fund revenues returned to pre-pandemic levels allowing lawmakers to appropriate \$50 million in grant in aid to address the needs of nonprofits. While this is more than what was provided in 2019, it will take much more to replenish and rejuvenate the social safety net.

Many of our nonprofits continue to operate at deficits or have not replaced the staff that were laid off. The markets for professionals have become much tighter requiring employers to offer more to just retain existing staff let alone recruit replacements. The "new normal" demands that much more will be needed to just keep the status quo.

In light of this, given the huge surpluses the State is currently experiencing and anticipating for the out years, now is the time for the State to commit to rehabilitating Hawaii's social safety net. Furthermore, as the Council on Revenues and economists predict a recession in the near future, it is even more imperative that our nonprofits are strengthened to meet the demands that the next calamity will pose.

To do this, there needs to be sufficient political commitment. Senate Bill No. 0303 is a start, but the Legislature and the Administration must be willing and able to sustain these efforts over time. As an example, perhaps the commitment of \$50 million in general funds for grant in aid annually for a five-year period would infuse \$250 million to nonprofits. Also, approval of even more funding to assist nonprofits expand their footprints so that they will be able to do even more in the future is greatly warranted.

To that end, the HPCA urges your favorable consideration of this measure.

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or eabe@hawaiipca.net.



ParentsAndChildrenTogether.org

TESTIMONY IN SUPPORT OF SB 303 SD1

TO: Chair Yamashita, Vice-Chair Kitagawa, & Members – House Committee on Finance
FROM: Ryan Kusumoto, President & CEO
DATE: March 29, 2023 at 2:00 PM

Parents and Children Together (PACT) <u>supports SB 303 SD1</u>, Relating to the Funding of Grants Pursuant to Chapter 42F, Hawaii Revised Statutes, which appropriates operating and capital improvement grants for fiscal year 2023-2024.

Founded in 1968, PACT is a statewide community-based organization providing a wide array of innovative and educational social services to families in need. Assisting more than 15,000 people across the state annually, we help identify, address, and successfully resolve challenges through our 20 programs. Among our services are early education programs, domestic violence prevention and intervention programs, child abuse prevention and intervention programs, child hood sexual abuse supportive group services, child and adolescent behavioral health programs, sex trafficking intervention, poverty prevention and community building programs.

This year, PACT is requesting operating Grant-in-Aid (GIA) funds to support the services and staffing of our three domestic violence shelters. These homes provide safe and confidential shelter, case management, and other supportive services to survivors and their children fleeing domestic abuse. The need for free domestic violence shelter services in Hawai'i outpaces other available government grant funding sources. Without this grant, we will have less capacity to provide the length of stays needed by survivors and children to stabilize their situations and safely move to independent living.

PACT diligently conducts fund development, seeking government contracts, foundation grants and charitable donations in support of our mission to work with Hawaii's children, individuals and families to create safe and promising futures. We are active in efforts to secure sustainable funding for the true costs of our programs. We request assistance with operating funds through the Legislature's GIA program to support essential services for which no other funding is available.

Thank you for the opportunity to testify. Please contact me at (808) 847-3285 or <u>rkusumoto@pacthawaii.org</u> if you have any questions.



March 27, 2023

Honorable Senator Donovan Dela Cruz, Chair And members of the Senate Ways and Means Committee

Honorable Representative Kyle Yamashita, Chair And members of the House Committee on Finance

SB 303, SD1 Relating to Grants Pursuant to Chapter 42F.

Dear Chairs, Dela Cruz & Yamashita,

We strongly ask for your support of SB303, SD1 and the Boy Scouts of America, Aloha Council's \$1 million capital grant request for our Camp Alan Faye on Kauai.

Camp Alan Faye is not just a Boy Scout asset, it is an island asset and resource. Named for the 40-year manager of the Waimea Sugar Company, the camp encompasses 29 acres in Kokee State Park and offers views of Kalalau Valley from 2,400 feet elevation.

As with any heavily used facility, it needs renovation and repairs. This grant would allow the camp to become a true gem and resource that will be enjoyed by the youth and residents of the Garden Isle and beyond. Established in 1908, the Aloha Council has a rich tradition and heritage in the State of Hawaii. Each year, the Aloha Council's Scouts provide more than 100,000 community service hours benefiting numerous organizations and charities. This year we will 137 Scouts attain the rank of Eagle Scout including 11 girls.

We hope you will give strong consideration to our grant request. We know this year you have to make a hard decision on each of the nearly 300 grant requests. Know that our grant request will go to enriching the lives of young people who are the future for our state.

Sincerely,

Corey Matsuoka President, Aloha Council

42 Puiwa Road Honolulu, HI 96817 (808) 595-6366 Tel. (808) 595-4323 Fax. www.ScoutingHawaii.org

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DATE:	March 28, 2023
TO:	The Honorable Kyle T. Yamashita, Chair The Honorable Lisa Kitagawa, Vice Chair House Committee on Finance
FROM:	Darryl P. Wong, Executive Board Member
SUBJECT:	SB303, SD1, RELATING TO THE FUNDING OF GRANTS PURSUANT TO CHAPTER 42F, HAWAII REVISED STATUTES HEARING: WEDNESDAY, MARCH 29, 2023, 2:00 PM STATE CAPITOL, CONFERENCE ROOM 308 & VIDEOCONFERENCE

Dear Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

My name is Darryl Wong and as an Executive Board Member of the Boy Scouts of America, Aloha Council organization, I am writing in support of Senate Bill SB 303, SD1. Your support of this measure is critical in appropriating the \$1 million capital grant request to the Boy Scouts of America, Aloha Council's Camp Alan Faye on the island of Kauai.

Camp Alan Faye is a viable asset and resource for the residents on the island of Kauai. Named for the 40-year manager of the Waimea Sugar Company, the camp encompasses 29 acres in Kokee State Park and offers view of Kalalau Valley from 2,400 feet elevation. This facility is heavily used and in dire need of renovation and repairs, and this grant would allow Camp Alan Faye to become a true gem and resource that will be enjoyed by the youth and residents of the Garden Isle and beyond.

Established in 1908, the Aloha Council has a rich tradition and heritage in the State of Hawaii. Each year, the Aloha Council's Scouts provide more than 100,000 community service hours benefiting numerous organizations and charities. This year, 137 Scouts will attain the rank of Eagle Scout including 11 girls.

I humbly request you give strong consideration in supporting SB303 SD1 and to the Boy Scouts of America, Aloha Council's \$1 million capital grant request.

Should you have any questions, I can be reached at (808) 943-3106 or at <u>dwong@99imperial.net</u>.

Thank you for the opportunity to provide my support of SB303 SD1.

Darryl P. Wong

42 Puiwa Road Honolulu, HI 96817 (808) 595-6366 Tel. (808) 595-4323 Fax. www.ScoutingHawaii.org

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A.



SB-303-SD-1

Submitted on: 3/28/2023 9:33:10 PM Testimony for FIN on 3/29/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lynn Araki-Regan	Aloha Council, Boy Scouts of America	Support	Written Testimony Only

Comments:

Dear Chairs Dela Cruz & Yamashita,

We strongly ask for your support of SB303, SD1 and the **Boy Scouts of America**, Aloha Council's \$1 million capital grant request for our Camp Alan Faye on Kauai.

Camp Alan Faye is not just a Boy Scout asset, it is an island asset and resource. Named for the 40-year manager of the Waimea Sugar Company, the camp encompasses 29 acres in Kokee State Park and offers views of Kalalau Valley from 2,400 feet elevation.

As with any heavily used facility, it needs renovation and repairs. This grant would allow the camp to become a true gem and resource that will be enjoyed by the youth and residents of the Garden Isle and beyond. Established in 1908, the Aloha Council has a rich tradition and heritage in the State of Hawaii. Each year, the Aloha Council's Scouts provide more than 100,000 community service hours benefiting numerous organizations and charities. This year we will 137 Scouts attain the rank of Eagle Scout including 11 girls.

As a mother of an Eagle Scout who greatly benefited from scouting programs, I humbly ask for your strong consideration to our grant request. We know this year you have to make a hard decision on each of the nearly 300 grant requests. Know that our grant request will go to enriching the lives of young people who are the future for our state.

Sincerely,

Lynn Araki-Regan Vice-President, Membership



National Guard Conference Corporation of Hawaii

3949 Diamond Head Road Building 306, Room 104 Honolulu, HI 96816-4495

March 28, 2023

TESTIMONY ON Senate Bill 303, SD1

RELATING TO THE FUNDING OF GRANTS PURSUANT TO CHAPTER 42F, HAWAII REVISED STATUTES

PRESENTATION TO:

THE HOUSE COMMITTEE ON FINANCE

Chair Kyle T. Yamashita, Vice Chair Lisa Kitagawa, and Members of the House Committee on Finance.

I am Colonel (Retired) Rusty Spray, Executive Director of the National Guard Conference Corporation (NGCC). The NGCC is a 501c(3) organization that support National Guard Conferences and other National Guard Activities. The National Guard Conference Center hosts the National Guard Soldiers and Airman, Veterans, Retirees and provides a meeting place for the National Guard members as well as the community.

The NGCC requests \$60,000 in capital improvement. The facility we were fortunate to take over is in poor condition as the previous owner did not put any funds into facility repair and maintenance.

The facility was constructed in 1975 and does not meet current American Disability Act requirements. This grant will allow the National Guard Conference Corp to immediately address this concern. In addition, the grant will allow us to install water efficient toilet's, faucets as well as installing energy efficient fixtures

The facility is currently self-supportive in its day-to-day operations but is not able to immediately address this capital improvement.

Thank you for the opportunity to testify on Senate Bill 303, SD1. If you have any questions or need additional information to our response, please contact me at (808) 330-7744 or at rustyspray@gmail.com

SB-303-SD-1

Submitted on: 3/29/2023 10:50:16 AM Testimony for FIN on 3/29/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gabe Lee	Individual	Support	Written Testimony Only

Comments:

Dear Chairs Dela Cruz and Yamashita

I am in support of SB303, SD1 and the Boy Scouts of America, Aloha Council's \$1 million capital grant request for our Camp Alan Faye on Kauai.

This grant would allow the camp to become a true gem and resource that will be enjoyed by the youth and residents of the Garden Isle and beyond. Established in 1908, the Aloha Council has a rich tradition and heritage in the State of Hawaii. Each year, the Aloha Council's Scouts provide more than 100,000 community service hours benefiting numerous organizations and charities.