
A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF HUMAN SERVICES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that vulnerable
2 populations in Hawaii, including individuals experiencing
3 homelessness, children, and those in need of mental health or
4 social services, face significant challenges that hinder their
5 well-being and stability. These issues have become exacerbated
6 by a rising demand for services, stagnant government contract
7 funding, and increasing operational costs, including significant
8 insurance hikes following the 2023 Maui wildfires.

9 The legislature further finds that community-based
10 organizations are vital partners in delivering critical services
11 on behalf of the department of human services and that, by
12 strengthening collaborations with service providers, the
13 department can enhance program delivery and improve access to
14 essential services such as administering benefits, providing
15 work-training and employment support, strengthening child care
16 programs, addressing homelessness, and reducing the harmful
17 effects of a punitive incarceration system, among other



1 services. Additionally, families in Hawaii depend on this
2 network of community-based organizations as a human services
3 safety net.

4 The legislature also finds that the department of human
5 services contracts with community-based organizations to provide
6 critical services, but contract rates have not increased in many
7 years and fail to cover full program costs. Community-based
8 organizations have attempted to fill the gap between funding
9 levels and demand for services through their own fundraising
10 efforts but are finding the growing gap insurmountable. If the
11 gap between funding levels and demand for services is not
12 mitigated by increased state funding, community-based
13 organizations will have to decline contracts or reduce the
14 amount of services provided, despite the community need; some
15 will be unable to sustain operations. According to a 2022
16 survey of Hawaii community-based nonprofit organizations,
17 ninety-one per cent had government contract budgets that fell
18 below the full operating costs required to provide the
19 contracted services. Of those, seventy-nine per cent always or
20 often had to cut administrative costs.



1 The purpose of this Act is to provide increased funding for
2 the department of human services to collaborate with community-
3 based organizations to address the need for social services in
4 Hawaii.

5 SECTION 2. There is appropriated out of the general
6 revenues of the State of Hawaii the sum of \$ or so
7 much thereof as may be necessary for fiscal year 2025-2026 and
8 the same sum or so much thereof as may be necessary for fiscal
9 year 2026-2027 for the department of human services to
10 collaborate with community-based organizations to address the
11 need for social services in the State.

12 The sums appropriated shall be expended by the department
13 of human services for the purposes of this Act.

14 SECTION 3. This Act shall take effect on July 1, 2025.

15

INTRODUCED BY: *Lina Morte*

JAN 16 2025



H.B. NO. 244

Report Title:

Department of Human Services; Community-based Organizations;
Social Services; Appropriation

Description:

Appropriates funds for the department of human services to collaborate with community-based organizations to address the need for social services in the State.

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