



TO: Chair Roz Baker  
Vice Chair Shan Tsutsui  
Members of the Committee on Ways & Means

FR: Nanci Kreidman, M.A.  
Executive Director

RE: S.B. 2951

Aloha. Please accept this testimony in opposition to S.B. 2951. It is unclear after review of the Bill the length of time necessary to convene and conduct statewide planning for a long range state plan. Perhaps too many steps are included in this proposal to make it a practical solution to any of the issues raised with the recent attention to grants in aid.

It would appear that the commitment to such an intricate process with so many players, removed from the actual work (directors of large departments), or representing a small sample of those doing the work (four members of the social services industry) is a "reaction" to the controversy that has erupted after the Honolulu Advertiser articles.

I am not suggesting that nothing be done, or that no further thought be given to improving the system for making appropriations or supporting crucial programs provided by not-for-profit agencies, but rather we approach this challenge with a thoughtful analysis and less of a cumbersome one.

I might also add that there are many community programs with contracts from other branches of government or public agencies, and not simply the Department of Health and Department of Human Services. Is there a role for them?

The development of the Grant Review Committee, as described in S.B. 2951, is another long and involved endeavor, ie. "senate confirmation of five members of the social services industry"?

Thank you for inviting comment on this Bill.

## PHOCUSED

**Protecting Hawaii's Ohana, Children, Under Served, Elderly and Disabled**

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January 30, 2008

TO: Senator Roz Baker, Chair

And members of the Senate Ways and Means Committee

FROM: Joanne Lundstrom, Chair

PHOCUSED (Protecting Hawaii's Ohana, Children Under-served, Elderly and Disabled)

RE: SB 2615 Relating to Grants and Subsidies

SB 2951 Relating to Grants-in-Aid

In uncertain financial times, there is a need to remember the most vulnerable people in Hawaii. Whenever there is a downturn in the economy and an upturn in unemployment, the citizens at the lowest economic levels of the community are most impacted. Often, as federal and state dollars contract, cuts are made to health and human service programs with a resulting devastating impact on our poor, disabled, and vulnerable citizens. We have all seen this happen before.

A new group of concerned citizens and organizations has formed called **PHOCUSED** (Protecting Hawaii's Ohana, Children, Under-served Elderly and Disabled). The mission of this group is to be a strong voice for the people in need of health and human services.

**PHOCUSED** is committed to:

- *empowering citizens* to advocate for health and human services
- being a *strong voice* for health and human services
- *working collaboratively* with private and public agencies to provide health and human services in Hawai'i
- developing an *effective system* to address the health and human services needs of our state
- advocating for continued *investment* in health and human services to address the social and health needs of the people of Hawaii

**PHOCUSED** wants to work collaboratively with others but remain focused on the needs of the most needy in the community. While **PHOCUSED** is in a formative stage, several members agree it would be a good idea to make some comments on SB 2615 and SB 2951. The Grant-in-Aid process is an important mechanism to support the activities of many worthy groups in the community.

It is our understanding that the GIA process was designed to be more flexible than the traditional procurement process; it could provide funds to new organizations in Hawai'i for a limited amount of time. The process was intended to be responsive to community needs that legislators knew about and wanted to support. Some have questioned how the actual purpose of the GIA process is different from the regular purchase of service procurement system which is based on a community-wide needs assessment process and only funds credible organizations providing needed service through competitive government contracts.

We support the move towards a clearer understanding of the purpose of the GIA system as well as improved transparency about how the process works and how decisions are made. It may be more beneficial to have a clearer understanding of the criteria around which the GIA funds are dispersed.

**PHOCUSED**, would be pleased to assist the Legislature in providing information that might help in assessing the competing needs in the community. For example:

- The scope and severity of the problem (or unmet need)
- The level of vulnerability of the individuals or groups in need
- Other programs and services that are already being provided and designed to combat this problem for this group
- Other ways (other than a GIA) to fund the service or solve the problem
- Any evidence that the approach being offered has worked here
- An analysis of whether this is the most efficient and effective expenditure
- Research on past efforts and whether it has worked
- Whether this can be funded with a POS contract

We support a GIA and subsidies program that is transparent, based on pre-established and shared criteria, is designed to meet the needs of the most vulnerable in the community and is annually monitored and evaluated to insure that the scarce dollars are being directed to meet the needs more efficiently and effectively.

**PHOCUSED** looks forward to participating in this discussion and appreciates the Senate's leadership in improving the GIA process this year. SB 2615 and SB 2951 begin to make this process more open by providing for transparency and public participation in the selection process. We are prepared to participate in future discussions to improve the GIA process.

Thank you for this opportunity to provide these comments.