

STATE OF HAWAII
DEPARTMENT OF DEFENSE

TESTIMONY ON TANF INFORMATIONAL BRIEFING

PRESENTATION TO THE
SENATE COMMITTEE ON HUMAN SERVICES
HOUSE COMMITTEE ON HUMAN SERVICES
FEBRUARY 3, 2009

Chairs Chun Oakland, Chair Mizuno and members of the committees.

Good Afternoon. I'm BG Gary Ishikawa, Deputy Adjutant General for the State of Hawaii

Thank you for this opportunity to testify at this informational briefing dealing with the National Guard About Face Program for at-risk youth in our community

Chairs, thank you for keeping the About Face family of programs in your thoughts.

Let me provide a brief summary of the program.

About Face started in Florida in 1997 with a partnership between the Florida National Guard and a company called Paxen. It continues to operate in Florida to this day.

Partnerships are a key ingredient of this program. On the Federal level the partnership is between the National Guard Bureau and the Federal Department of Health and Human Services.

Here in Hawaii it is a partnership between the Hawaii National Guard and the State Department of Human Services. Also here at home we have just signed a Memorandum of Understanding the Department of Education. That MOU is signed by Superintendent Pat Hamamoto and MG Bob Lee The Adjutant General of the State of Hawaii. Another significant MOU which we have is with Alu Like.

On a local level we are in partnership with the Kauai County through contracts to provide service utilizing WIA funding.

We have been operating About Face for 5 years, starting with the first graduating class on Kauai in January 2004. To date we are in 17 High schools in every county of the state. We average approximately 2300 plus students per year.

In our budget we are requesting the authorization to receive from the State Department of Human Services up to 9.5 Million Dollars to both continue our current operations and to expand the About Face Programs.

The 9.5 Million will result in expanding the program from 17 to 19 High Schools, continue and expand our middle schools program from 15 to 19 schools and to pilot an adult program assisting TANF adults.

The reason we have set up our budget request as an authorization to receive up to 9.5 million dollars is that we are not in competition with other service providers and I'm certain there are other very worth while programs which will need financial support. We emphasize partnerships with other service providers and organizations.

This concludes my testimony, are there any questions?

Aloha United Way

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February 3, 2009

Senate Committee on Human Services
Senator Suzanne Chun Oakland, Chair
Senator Les Ihara, Jr., Vice Chair
Tuesday, February 2, 2009 at 1:15 P.M.
Conference Room 016

SB 1666: Relating to Temporary Assistance to Needy Families- Written Testimony in Support

Dear Chair Chun Oakland, Vice Chair Ihara and Committee Members:

Aloha United Way encourages your favorable consideration of SB 1666 which details how the legislature will spend TANF funds.

Aloha United Way agrees with the concept of using TANF funds and reserves during times of economic challenge while maintaining a healthy balance between current needs and reserves. TANF funds can move individuals toward self-sufficiency, which is at the foundation of a healthy economy and a necessary component of consistent, on-going economic resiliency.

One of Aloha United Way's key priorities is to promote financial stability and independence. Our commitment is evidenced by our support of the Earned Income Tax Credit Program and the funding of projects intended to establish, increase, and/or sustain earning capacity. Programs that prevent teen pregnancy, increase high school graduation rates, and provide job training, are just a few examples of where Aloha United Way is investing in Hawai'i's future.

Aloha United Way thanks you for the opportunity to testify and we encourage favorable consideration of SB 1666.

Sincerely,

A handwritten signature in black ink that reads "Susan Doyle".


Susan Doyle
President & Chief Professional Officer



Hearing date:
Tuesday,
February 3,
2009, 1:15 p.m.
informational
briefing for
House &
Senate
Committees on
Human
Services.
Please deliver
copies of
testimony to
Room 016.

To: Senator Suzanne Chun Oakland, Chair
Senator Les Ihara, Jr., Vice Chair
SENATE COMMITTEE ON HUMAN SERVICES

Representative John M. Mizuno, Chair
Representative Tom Brower, Vice Chair
HOUSE COMMITTEE ON HUMAN SERVICES

From: Elisabeth Chun 
Executive Director
Good Beginnings Alliance

Date: Tuesday, February 3, 2009
1:15 p.m., Room 016

Subject: Informational Briefing regarding SB 1666 Relating to Temporary Assistance to Needy Families

Chair Chun Oakland, Vice Chair Ihara, and members of the Senate Committee on Human Services, Good Beginnings Alliance is pleased to present testimony about Hawaii's utilization of the Temporary Assistance to Needy Families (TANF). As an organization that receives TANF funds through the Department of Human Services Good Beginnings Alliance benefits from this Federal source of funds.

In Hawaii, the minimum of 4% of CCDBG or transferred TANF funds must be used to conduct activities which will increase the quality of Hawaii's early childhood education and care system. Quality CCDBG funds, including these TANF transfer funds, have been used to fund critical activities for our State such as:

- Child Care Resource and Referral which assists families in locating child care;
- Early Childhood Provider Registry which verifies the education and training of Hawaii's early childhood workforce in order for a program to be licensed.
- Quality Care Project which provides incentives to early childhood programs who align their curriculum with the Hawaii Preschool Content Standards and who employ highly trained early childhood staff.
- Programs which support the physical, social, and emotional health of our keiki.
- Community-based collaborative work to build the foundation of an Early Childhood System.

Good Beginnings Alliance connects to private resources and creates unique, change-making partnerships. The Department of Human Services funds much of the statewide work of Good Beginnings Alliance through the 4% of CCDBG and TANF transfer funds that are required to go towards Quality. Our statewide efforts include that of a Good Beginnings County Coordinator on each island. GBA Coordinators staff each Good

Beginnings Community Council, a group of early childhood educators and other stakeholders who meet regularly to tackle problems, take action and create solutions in their own community. Through the Coordinators and Councils and beyond, the work of GBA is able to reach across the state largely as a result of these TANF funds:

- GBA on Kauai is working to address the critical lack of infant and toddler care by bringing together the Department of Education and private providers to collaborate on a workable program. Kauai is also are working with the prisons and correctional programs to help parents who are incarcerated strengthen parenting skills.
- GBA on Maui is *the* connector for families, answering questions on where to go for help and assistance for a myriad of programs, and assisting the Department of Education with kindergarten registration and transition programs. Maui has also connected with private groups to get new children's books to families without resources.
- GBA on the Big Island publishes a resource guide critical to pediatricians and parents alike, and serves as an early childhood professional development go-to, counseling and connecting those seeking higher degrees in the field to resources.
- GBA on Oahu—as on all islands—is where the community convenes to work better together to meet the needs of parents and children. Whether finding more dentists to work with young children on Kauai or finding more parent/child programs for jobless families in great need of assistance with their children, GBA provides paths to the solution.
- Statewide, Good Beginnings focuses on making sure data such as the Hawaii State School Readiness Assessment and research such as the Economic Impact and Benefit of Early Childhood Education and Care are available to track and report the progress of our system building. Our focus is to engage new champions – both public and private – who will bring their resources to the early childhood system.

Good Beginnings, through our alliances and via the funding the Department of Human Services provides from the TANF Quality funds, allows communities to focus on the big picture, to move beyond the silos of their own programs, and to proceed with early childhood system building together. The need for the Good Beginnings Alliance to bring people together as partners; to create low-cost/no-cost solutions; and to find ways to continue to make work happen is greater than ever.

To: The Honorable Suzanne Chun Oakland, Chair
The Honorable Les Ihara, Jr., Vice Chair
Senate Committee on Human Services

The Honorable John Mizuno, Chair
The Honorable Tom Brower, Vice Chair
House Committee on Human Services

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

Date: February 3, 2009

Re: Testimony for 02-03-09 Informational Briefing on Temporary Assistance to Needy Families

Thank you for the invitation and opportunity to discuss the TANF programs we currently operate.

Goodwill Industries provides a variety of service for TANF Recipients through funding from the State of Hawaii Department of Human Services ("Department"). Specifically, with respect to TANF welfare-to-work employment and training programs, Goodwill operates eight separate contracts to provide four distinct programs which we will discuss today. While Goodwill receives additional funding from the Department, today's testimony will focus on TANF funds received. In each of these four programs, Goodwill's experienced teams work with individuals referred by the Department to help them build skills to obtain and maintain competitive employment leading to financial self-sufficiency. In the last program year, Goodwill provided employment and training services to 5,170 individuals who were receiving public assistance benefits. A brief overview of the status of each program is as follows.

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Program 1: Goodwill operates the Upfront Universal Engagement Program ("UFUE") on Oahu and in Hilo. This program provides four months of intensive

employment skills training and job placement services to work eligible adults applying for Temporary Assistance for Needy Families ("TANF") benefits and families whose applications are approved under state-funded benefits known as Temporary Assistance for Other Needy Families ("TAONF"). Our program contains 719 currently active participants. In the last program year, over 300 participants were successfully placed in jobs. Since the inception of the program, over 1100 participants have been successfully placed in jobs. Since October 2008, 104 participants were diverted from entering other welfare programs.

Program 2: Goodwill operates the TAONF Program on Oahu and in Hilo. This program provides comprehensive employment and training services to adult members of two parent households. Our program contains 1257 currently active program participants. In the last program year, almost 280 participants were successfully placed in jobs. Since the inception of the program, over 3,500 participants have been successfully placed in jobs. The number of non-US citizens enrolled in the TAONF program is steadily increasing. These participants have additional employment barriers, including significant English language deficiencies. Interpreters are frequently needed at group and individual meetings. Last year, Goodwill's multi-lingual staff provided translation services or arranged external translators for almost 1,000 meetings. Enrollment in this program continues to increase. Goodwill's team is actively working to provide services to all applicants to the program.

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Program 3: Goodwill operates the Vocational Rehabilitation Services Program on Oahu and in Hilo. Participants in this program have a documented physical or mental disability (including substance abuse) which adversely affects their ability to become employed. Our program contains 521 currently active participants. Trained staff work with participants and monitor treatment plans to ensure they are progressing as determined by the state's Medical Board which reviews disability claims and confirms hourly work requirements, which might be zero. In the last program year, over 150 participants were successfully placed in jobs. Since the inception of the program, almost 580 participants have been successfully placed in jobs. In the last program year, 51 participants exited the program upon receiving

approval for Social Security ("SSI") benefits; and 80 are in the process of completing SSI applications. Participants in this program require time intensive services in order to reach goals established in their individual service plans.

Program 4: Finally, Goodwill operates the Supporting Employment Empowerment ("SEE") Hawaii Work Program which contains 313 currently active participants statewide. Since inception in 2004, the SEE program has worked with 798 local employers. Currently, there are 410 subsidized job openings looking to fill approximately 800 available positions at 290 employers statewide. To date, 1415 individuals have participated in the SEE program; and 517 participants have been hired unsubsidized during or after their subsidized SEE agreement period. In addition, 559 participants exited the SEE program off TANF benefits.

We would now like to discuss some concerns we have regarding the further of these successful programs. As you know, all providers were affected by a 12% reduction in funding imposed by the Department and retroactive to July 1, 2008. In Goodwill's case, this resulted in approximately a \$700,000 reduction for all our TANF funded programs. While we were able to realign our programs to retain services to all people we were serving, we lost 14 staff positions.

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Our greater concern is the new and severe changes the Department has decided to impose this coming spring. The Department has made the decision to restructure these successful programs in such a manner that will virtually assure that the remaining monies will be left unspent and as a result, we believe many people will not receive full services. These actions will take place through recent Request for Proposals ("RFPs") which have been released and make substantial changes to programs. These two RFP are: (1) RFP No. HMS 903-09-02-S (Supporting Employment Empowerment ("SEE") Hawaii Work – Statewide), dated November 28, 2008, Addendum I dated December 16, 2008; and (2) RFP No. HMS 903-09-03-S (Upfront Universal Engagement Program for TANF and TAONF – Statewide), dated January 29, 2009.

The change in structure to these RFPs are very disturbing because they significantly change the Department's policy which will result in TANF recipients receiving less services as well as placing undue burdens on human service providers.

The first notable change is that the RFPs request that all applicants submit a single proposal proposing comprehensive statewide services to include all geographical coverage areas of Hawaii. However, the Department intends to award contracts to two vendors to provide services in "clusters." The bidder with the highest evaluation score receives Cluster 1 and the bidder with the second highest evaluation score receives Cluster II. It is unclear how the clusters were determined and whether applicants will be required to demonstrate previous proven experience and capability to deliver employment and training program services in each area of the cluster. Providers will have no choice over which "cluster" or geographic locations they will be serving which will create hardship in regards to both the effectiveness and efficiency of operations. Since no provider will be allowed to operate both clusters, this means that at least half of the services Goodwill currently provides will be given to another vendor, immediately reducing our service levels by 40 – 60%.

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While the Department's intent may be to establish more than one provider of services, not allowing a service provider any option as to where they feel they could best provide services seems unfair. The individual islands of Hawaii contain diverse communities and localized employment markets. Applicants should be rated based on their ability to demonstrate previous proven experience and capability in the specific geographic coverage areas it is bidding to serve, rather than forced into providing services in an unknown geographic cluster.

In essence, we are unclear as to why the Department has chosen to affect successful programs in such a manner. To provide an example, the SEE program as currently operated by Goodwill Industries has been recognized for significant achievements to successfully place participants in subsidized jobs throughout Hawaii. For example, in July 2006, the SEE program was chosen as one of the

eight regional finalists in the Council on State Governments Innovations Awards. The Department has not explained why a single contract award to one provider will not continue to meet the Department's needs without sacrifice of economy of service as required by HAR §3-143-206.

Secondly and of further concern, the RFPs also significantly change the Department's policy with respect to the compensation and method of payment for TANF services. Current TANF contracts are implemented on a cost reimbursement basis which allows the Department to pay providers for budgeted costs that are actually incurred while delivering services up to a stated maximum obligation. New TANF contracts will be implemented with a milestone payment system that compensates providers on a per unit rate basis.

It is indisputable that we are facing tough economic times. It is Goodwill's mission to help Hawaii's most vulnerable residents and we very much value our strong partnership with the Department to provide critical programs to welfare recipients. However, we believe that the Department's shift to a milestone payment system places a disproportionate and negative burden on service providers at a time when the long-term viability of such organizations is essential to meet increasing community needs.

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The milestone amounts in the Department's recent RFPs do not allow providers such as Goodwill to cover basic operating costs necessary to run effective programs. The milestone system does not adequately address the necessary time providers must spend delivering quality services that positively impact each participant's employability and self-sufficiency. As the current provider for these services, Goodwill understands the significant challenges welfare participants face in becoming economically self-sufficient. A successful program design must include the following elements at a minimum: comprehensive assessment; resume development and editing; file management; job readiness and life skills training classes; acculturation for immigrant participants; ongoing case management; case coordination; provision and monitoring of support services; job development; employer relations, job coaching; job retention monitoring; referrals to education

opportunities, community and state partners; and other individualized employment and training services needed to properly address multiple employment barriers.

The milestone payment system inherently limits the number of participants and families who can receive comprehensive services from a provider. In addition, the milestone payment system does not compensate providers who accept more difficult-to-serve-participants with multiple employment barriers, such as participants who are homeless, have been arrested on serious criminal charges, or have no or very poor English language skills. Furthermore, the milestone payment system is unsuitable for the immigrant population which is highly transient; therefore, making it extremely difficult for providers to obtain verifications for long-term employment. Finally, the milestone payment system does not compensate providers for the comprehensive data compilation, administrative and billing responsibilities required by the Department.

While we are generally not in favor of milestone contracts, the way these particular contracts have been structured are alarming and seem to be unfair and unreasonable to providers. The following examples illustrate this burden. The SEE RFP No. HMS 903-09-02-S as it is currently drafted states that for a minimum of six months up to a maximum of twelve months of services when a participant is working in a SEE agreement, the Department will only pay providers a total of \$575 for each unique participant (#1 to 250) that achieve milestones 1 to 3 per contract. And while this program is a subsidized employment program, the last milestone (#4) is only achieved when a person has been in the exact same unsubsidized placement for 365 days. It is virtually unachievable. If the individual changes jobs within the company, accepts a promotion, has their hours increased or decreased or moves to another company, the provider will not be compensated. Since the majority of the compensation is wrapped to milestone 4, it is our belief that the Department is attempting to get the benefits of all the work done (from intake to 6-month placement) for \$575 per person. This will cause a situation in which the provider will need to "triage" participants and only provide services to the participants most likely to make it through the milestones, leaving those hard to

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serve individuals with no services, or the provider with no payment should they decide to take in those individuals.

It should be noted that in accordance with this RFP, on December 12, 2008, Goodwill submitted ten pages of written questions. We have yet to receive the Department's written answers even though the procurement timetable in Addendum I stated that answers would be provided the week of December 15 to 19, 2008. With the RFP due in just a few weeks, we are extremely uncertain if any provider will be able to operate this program under the new payment schedule imposed by the Department.

The second RFP which raises concerns is the UFUE program RFP No. HMS 903-09-03-S released last week. This RFP states that the Department will select two providers to which a service area "cluster" is assigned. Cluster I includes the following: Oahu (from Hawaii Kai to the Pearl City Peninsula), Maui (entire island); Molokai (entire island); Lanai (entire island) and East Hawaii (Hilo). A requirement of this RFP is that applicants must locate and rent office space in each of the geographic locations it serves; specifically maintaining hours of operation of 7:45 a.m. to 4:30 p.m., Mondays through Fridays.

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This contract structures payment for milestone 1 at \$40 if a unique participant meets work participation requirements for the report month. It is difficult to estimate the number of individuals who will be eligible to receive services each month, it could be 20 or 50 individuals. In addition, it is highly unlikely that an identical number of individuals will be receiving services in each cluster. Furthermore, milestone 2 is payable if a provider achieves a participation rate above 50%, presumably calculated for the "cluster" area served. Providers achieving a 60-69% participation rate will be paid \$2,000 a month, providers achieving a 70-79% participation rate will be paid \$4,000 a month, and providers achieving greater than a 80% participation rate will be paid \$6,000 a month. This payment structure will not properly compensate providers who will need to offer comprehensive and time intensive services to help participants overcome employment barriers in an extremely difficult job market.

Finally, milestone 3 is payable 90 days after a participant exits the program, and thus providers will be required to track individuals who are no longer actively receiving services. Estimating job placement rates based on previous year's statistics is untenable in the current dire economic situation facing Hawaii. There are fewer jobs, local layoffs continue to increase, and more qualified applicants with no employment barriers will be competing with the state's welfare population for the limited job openings that remain. The number of likely participants on Kauai, Molokai and Lanai is minimal. The number of achievable milestones will also be minimal, and yet providers must obtain and fully staff office locations. The only certainty is that providers will not be covered for basic operating costs and will in fact book a loss.

Other milestone payment contracts that Goodwill operates, for example for the Office of Community Services ("OCS") are structured in a much more provider friendly manner. These contracts are distinguishable from the Department's welfare-to-work contracts in several respects. The number of participants served in the OCS contracts is small, often only 100-150 per year. Providers also have the independent right to screen and assess participant referrals to determine potential success and deny any referral not deemed able to complete all milestones. In welfare-to-work contracts, providers will be expected to serve participants eligible to receive benefits. This type of structure, rather than the prescriptive structure of the TANF contracts at least allows a provider the opportunity to manage their milestones in relations to their costs and break even.

In addition to the lack of choice in service locations and poorly structured milestones, it is also important to note that the Department's recent RFPs state the following significant changes can be made during the contract period;

- (1) The Department reserves the right to change the target population, after 30 days notice being afforded to the awarded provider affected, for the duration of this Contract period;

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(2) The Department reserves the right re-assign coverage areas, based on service needs, after 30 days notice being afforded to the awarded provider affected, for the duration of this Contract period;

(3) The Department may change the Milestone payment structure and amounts, in writing, 30 days in advance prior to such action taking place."

The Department has not explained why the UFUE and SEE contracts can be changed within 30 days notice. There is no protection for the service providers under these new contracts. In all these years of operating Human Service programs for the State, we have not run across programs with these types of terms. We question the legality of these terms and certainly no longer feel like a valued partner to the State.

You should be aware that in all of these situations, Goodwill Industries, who has been the primary provider of these TANF services, is currently considering whether it will be able to submit a proposal to continue to provide any of these services under these new and disturbing terms. It is critical for human service providers, such as Goodwill, to have flexibility to carefully and completely address issues which impact each participant's employability and self-sufficiency. We urge the Department to retract these RFPs and continue to implement its welfare-to-work contracts on a cost reimbursement basis which pays providers for the budgeted costs that are actually incurred while delivering services up to a stated maximum obligation. Hawaii's unemployment numbers are rising rapidly. More individuals are being laid off. It will be difficult for welfare participants to obtain employment in 2009 and difficult for service providers to continue to fund the safety net. It is essential that trained providers are available to effectively offer employment and training programs and that they receive adequate support from the State in order to assure success in serving at risk individuals.

Thank you for this opportunity to testify.

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Agencies
Aloha United Way
Kauai United Way

To: COMMITTEE ON HUMAN SERVICES
Chair: Senator Suzanne Chun-Oakland
Vice Chair: Senator Les Ihara, Jr.

From: Katy Chen, Executive Director
PATCH – People Attentive to Children

Date: Tuesday, February 3, 2009
1:15pm; Conference Room 016

**Subject: SB 1666- RELATING TO
TEMPORARY ASSISTANCE TO NEEDY FAMILIS**

PATCH's TANF funded programs are critical to helping Hawaii's families meet the challenges of finding quality, cost-effective child care, enabling them to work and avoid poverty.

Thank you for the opportunity to submit testimony regarding SB1666. I am Katy Chen, Executive Director of PATCH – People Attentive to Children. PATCH holds four State Department of Human Services (DHS) contracts supported by TANF funds, and an additional fifth TANF supported DHS subcontract through the University of Hawaii. PATCH is Hawaii's only statewide child care resource and referral agency and a member of the National Association of Child Care Resource & Referral agencies. We receive more than 15,000 enquiries a year from parents and guardians looking for referrals for affordable, quality child care – mostly for their very young children. PATCH also trains people in the field of early childhood education and care.

Our task force worked very hard over the last year and a half to develop a quality early learning for Hawaii's 4 year olds in both home-based and center-based settings. The Keiki First Steps early learning system must be supported – it is the only plan that addresses parents' choice in a child care setting and simultaneously seeks to increase both accessibility and quality of early childhood education programs. The plan provides initiatives to help children in home-based and center-based settings and family interaction programs. Thus, it allows for parents to choose the type of care they deem is best for their children and family and by doing so, ultimately honoring a family's culture.

Our Task Force is united in wanting to offer a quality early learning system to all children, birth through 5. Particularly though, the system must include the growing number of middle-income gap group families. Studies show that after housing, child care for young children is the second highest expense for families. Gap group families do not qualify for early education subsidies, but cannot afford the cost of existing quality early education. Ultimately they go without and this problem is only growing. Even for low-income families, there is not enough capacity to meet demand with long-waiting lists.





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Although there have been some recent gains in increasing capacity, the need still far outweighs the demand. In follow-up calls to parents and guardians who used our services to find care last year, 60% of them reported that they were unable to find any type of licensed, regulated care due to a lack of available spaces. We know these parents often have no choice but to put their children in care that is not properly regulated and thus of unknown quality. It may not even meet very basic health and safety standards. Thus, even if parents were given additional subsidies to pay for early education, which lawmakers are also considering, their children may still have no where to go because there is no available space.

This very problem highlights that we must increase our investment if we are to accommodate the growing demand for early education and care. We do not have enough facilities to meet the need, whether it is a home-based or center-based setting. Nor do we have enough qualified teachers and caregivers for the future – in fact, we do not even have enough qualified educators to staff existing preschools. To meet the 80% access goal of providing quality early learning to just our 4-year-olds, we estimate we will need to double our early childhood educator workforce immediately. Factor in the desire to support staff for 3-year-old programs and the need becomes even greater.

Also, during our follow-up calls, parents cite the lack of quality available out there as another major reason that they could not find suitable space for their children. Keiki First Steps will address increasing the quality across all child care settings that is so desperately needed.

The Keiki First Program described in our task force report addresses the point of increasing access while simultaneously improving quality. It will provide for educational opportunities from community based training to university sponsored degrees, so that a new workforce will obtain the necessary credentials outlined in the report.

Thank you for this opportunity to testify and we offer our help to refine this bill to best meet the needs of Hawaii's young children.

To: SENATE COMMITTEE ON HUMAN SERVICES
Senator Suzanne Chun Oakland, Chair
Senator Les Ihara, Jr., Vice Chair

HOUSE COMMITTEE ON HUMAN SERVICES
Rep. John M. Mizuno, Chair
Rep. Tom Brower, Vice Chair

Date: Tuesday, February 3, 2009; 1:15 PM

Subject: INFORMATIONAL BRIEFING ON TEMPORARY ASSISTANCE
TO NEEDY FAMILIES (TANF)

Submitted by: Milton Hutchison, Executive Director, Mutual Assistance Associations
Center (MAAC)

Good afternoon Senator Chun Oakland, Senator Ihara, Representative Mizuno, Representative Brower, and committee members. My name is Milton Hutchison, Executive Director of Mutual Assistance Associations Center (MAAC), located in the Pālolo Valley District Park Gymnasium directly across from Pālolo's public housing projects.

I am here to report on MAAC's accomplishments in meeting federal TANF goals and the positive impact we have had on the low-income youth and families living in Pālolo's public housing projects and in Pālolo Valley.

U.S. Census statistics show that Pālolo Valley residents are severely disadvantaged, more so than in any other community in Hawai'i. The data for Census Tract 11, Pālolo Valley, illustrate the following socio-economic problems rampant in Pālolo:

- 23.4% have not graduated from high school
- 81.6% are not college graduates
- 48.6% are unemployed
- 26.7% of families live under the U.S. poverty level
- 32.4% of individuals live under the U.S. poverty level
- 23.6% are disabled
- 37.6% are not fluent in English
- 55.1% live in a renter occupied home
- 16.9% are over 65 years of age
- 73% of the Pālolo population are Asian/Hawaiian/Pacific Islander minorities

It is a community fraught with deep systemic problems and very few resources to address them. In 1985, MAAC was established to bring needed services to the residents of public housing projects of Pālolo Homes and Pālolo Housing.

For the past 23 years, MAAC has been a change agent in the Pālolo Valley community providing educational, social and technical services for the underserved low-income families residing there. Originally created as a resource center to assist immigrant families, MAAC has evolved into a Community Technology Center providing computer literacy and academic programs for Native Hawaiian, Pacific Island and other ethnic groups living in Pālolo Valley and its housing projects.

In the last two decades MAAC was a major force in turning a crime-ridden, gang-dominated, low-income community into a place where residents are proud to call Pālolo Valley home. MAAC helped start the community's annual Pālolo Pride event where diversity is celebrated and the achievements of its residents praised.

MAAC accomplished all of this amid a continuing struggle to stay afloat with very limited funding. Two years ago, MAAC's board realized that if it was to survive, it needed to proactively seek funding to continue and expand its services.

In 2007, MAAC was fortunate to receive a TANF grant for a "Program to expand computer literacy, training, life skills, and tutoring programs after school hours for disadvantaged youth, and in the evenings for TANF eligible adults, serving native Hawaiian, Pacific Island, and other ethnic groups living in Pālolo Valley housing projects."

This much needed funding enabled us to hire a professional staff, including young adults from the housing projects, to provide a full range of services as follows:

- **After-School Program** consisting of individual tutoring, group computer classes, MAAC Jobs, incentive and nutrition programs, and Virtues Life Skills classes - 465 youth participated in this program
- **Home School Courses** for home-schooled children teaching them basic and advanced technology classes – 100 youth participated in this program
- **Adult and Senior Classes** for TANF eligible adults and seniors teaching them basic computer skills – 375 adults and seniors participated in this program
- **Job Preparedness Classes** for TANF eligible adults. A collaboration with the Honolulu Community Action Program (HCAP), teaching them how to prepare a resume, interview, dress for an interview and life skills – 175 adults participated in this program

Has MAAC made a difference in the Pālolo community? Have we used TANF funds effectively? We believe our statistics give testament, loud and clear, that our programs are meeting a real need in the community. They are making a difference, a huge difference.

While we are proud of our accomplishments, our work is far from over. As you know all too well, the need is growing day by day. We deeply appreciate your past support and humbly ask for your continued support.

Mahalo nui loa,

Milton Hutchison
Executive Director, Mutual Assistance Associations Center (MAAC)