

MAR 09 2010

SENATE CONCURRENT RESOLUTION

REQUESTING THE UNIVERSITY OF HAWAII ECONOMIC RESEARCH ORGANIZATION TO CONDUCT AN ECONOMIC ANALYSIS OF THE IMPACT OF THE STATE'S BUDGET CUTS ON CERTAIN PROGRAMS WITHIN THE DEPARTMENTS OF HEALTH AND HUMAN SERVICES, AND REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO COMPILE AVAILABLE INFORMATION ON THE IMPACT OF THE STATE'S BUDGET CUTS ON CERTAIN PROGRAMS WITHIN THE DEPARTMENTS OF HEALTH AND HUMAN SERVICES.

1 WHEREAS, in 2009, the Governor revealed plans to impose
2 layoffs and furloughs on state employees in response to the
3 State's revenue shortfall; and
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5 WHEREAS, as a result, the Department of Health and the
6 Department of Human Services are faced with numerous cuts to
7 virtually all divisions and programs within the two departments;
8 and
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10 WHEREAS, in response, Senate informational briefings were
11 held in August and September 2009 to gather information on the
12 potential statewide impacts of the anticipated reduction in
13 health and human services; and
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15 WHEREAS, the following information regarding the impacts of
16 the budget cuts was presented at the briefings:
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- 18 (1) Hawaii's receipt of a \$323,000 federal grant from the
19 Environmental Protection Agency through the Clean
20 Water Act would be in jeopardy;
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- 22 (2) Against the backdrop of a doubling of the number of
23 homeless people in the years 1997 to 2009, the Hawaii
24 Housing Authority's homeless program's branch
25 indicated that the cuts would eliminate five of nine
26 staff positions and would put Hawaii's receipt of



1 \$16,650,000 in federal Department of Housing and Urban
2 Development moneys in jeopardy;

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4 (3) The deaf and hearing impaired fear the loss of
5 assistance and specialized vocational training; and

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7 (4) Cuts in youth services would increase gang violence,
8 increase the number of youth in detention facilities,
9 and take away services for abused and homeless
10 children; and

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12 WHEREAS, it has also been reported in the media that the
13 budget cuts will reduce services for:

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15 (1) Individuals with mental illness and
16 disabilities -- those who need help the most; and

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18 (2) Children, for example, the Healthy Start child abuse
19 prevention program was allotted \$10,000,000 in the
20 2008-2009 state budget and was dropped completely from
21 the 2009-2010 budget; and

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23 WHEREAS, there is a genuine concern regarding the
24 ramifications of the deep cuts to programs in the Department of
25 Health and the Department of Human Services; now, therefore,

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27 BE IT RESOLVED by the Senate of the Twenty-fifth
28 Legislature of the State of Hawaii, Regular Session of 2010, the
29 House of Representatives concurring, that the University of
30 Hawaii Economic Research Organization is requested to conduct an
31 economic analysis of the impact of the State's budget cuts
32 affecting:

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34 (1) The Department of Health's early intervention services
35 for children and toddlers program; and

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37 (2) The Department of Human Services' adult protective
38 services program; and

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40 BE IT FURTHER RESOLVED that the University of Hawaii
41 Economic Research Organization is requested to include in its
42 economic analysis referred to in the preceding paragraph:



- 1 (1) The dollar amounts, and corresponding percentages, of
2 reductions in the departments' budgets, involving
3 state funds and federal funds, if any, for fiscal year
4 2009-2010 and 2010-2011;
5
- 6 (2) The loss to employees; in terms of wages and benefits,
7 including the cost of unemployment compensation, the
8 effect on employee pensions, and the effect on the
9 cost of employees' health insurance;
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- 11 (3) The cost to contract providers of health and human
12 services due to funding that has been reduced or
13 eliminated;
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- 15 (4) The cost of employing additional health and human
16 services resources to accommodate budget cuts such as
17 emergency medical services, hospital stays, intensive
18 care, insurance claims and reimbursements, services to
19 address increased child abuse and neglect, vulnerable
20 adult abuse and neglect, and other related costs;
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- 22 (5) The direct economic losses to consumers of affected
23 program services and their families; and
24
- 25 (6) Any other relevant economic impacts including
26 macroeconomic effects on the State's economy; and
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28 BE IT FURTHER RESOLVED that the Legislative Reference
29 Bureau is requested to prepare a separate report compiling
30 available information on the impact of the State's budget cuts
31 affecting:
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- 33 (1) The Department of Health's early intervention services
34 for children and toddlers program; and
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- 36 (2) The Department of Human Services' adult protective
37 services program; and
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39 BE IT FURTHER RESOLVED that the Legislative Reference
40 Bureau is requested to include in its report referred to in the
41 preceding paragraph information, to the extent available,
42 regarding:
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- 1 (1) The number of employees providing services in the
2 affected programs before and after the budget cuts;
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- 4 (2) The number of employees affected by layoffs and
5 furloughs by position title and island of service;
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- 7 (3) The number and type services provided before and after
8 implementation of budget cuts;
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- 10 (4) Estimates of the number of persons receiving services
11 through the affected programs, including estimates of
12 parents or guardians receiving services, before and
13 after the budget cuts;
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- 15 (5) The number of health and human services contract
16 providers affected and estimates of contract amounts
17 received, including source of funding, if available,
18 before and after the budget cuts;
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- 20 (6) Estimates of any loss or reduction in federal or other
21 non-state funding, matching or otherwise, including
22 private sector grants and donations; and
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- 24 (7) The negative effects on populations served, including
25 anecdotal information; and
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27 BE IT FURTHER RESOLVED that the Director of Health and the
28 Director of Human Services are requested to fully cooperate with
29 and provide all information requested by the University of
30 Hawaii Economic Research Organization and the Legislative
31 Reference Bureau in conducting their respective separate
32 studies; and

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34 BE IT FURTHER RESOLVED that the University of Hawaii
35 Economic Research Organization and the Legislative Reference
36 Bureau are requested to submit their respective reports to the
37 Legislature not later than twenty days prior to the convening of
38 the Regular Session of 2011; and

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40 BE IT FURTHER RESOLVED that certified copies of this
41 Concurrent Resolution be transmitted to the Executive Director
42 of the University of Hawaii Economic Research Organization, the
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1 Director of the Legislative Reference Bureau, the Director of
2 Health, and the Director of Human Services.
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