

**SB2265**



**TESTIMONY OF  
THE DEPARTMENT OF THE ATTORNEY GENERAL  
TWENTY-FIFTH LEGISLATURE, 2010**

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**ON THE FOLLOWING MEASURE:**

S.B. NO. 2265, RELATING TO THE DEPARTMENTS OF HEALTH AND HUMAN SERVICES.

**BEFORE THE:**

SENATE COMMITTEES ON HEALTH AND ON HUMAN SERVICES

**DATE:** Monday, February 1, 2010      **TIME:** 2:45 p.m.

**LOCATION:** State Capitol, Room 016

**TESTIFIER(S):** Mark J. Bennett, Attorney General, or  
Blair Goto, Deputy Attorney General

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Chairs Ige and Chun Oakland and Members of the Committees:

The Department of the Attorney General provides these comments regarding a constitutional problem in this bill.

The bill would require the Legislative Reference Bureau to analyze the economic impacts of the reduction in services for the Department of Health and the Department of Human Services, submit a report of the analysis, and submit proposed legislation to the 2011 Legislature.

Article III, section 14 provides in relevant part: ". . . Each law shall embrace but one subject, which shall be expressed in its title . . . ."

The title of this bill is "A Bill for an Act Relating to the Departments of Health and Human Services." The title includes two subjects: the Department of Health and the Department of Human Services. Unlike the federal executive branch which has a single department of health and human services, the State executive branch has a state department of health separate from the state department of human services. Each of these separate departments has a distinct function. See Haw. Rev. Stat. §§ 26-13 and 26-14 (2009). Because this bill embraces more than one subject, it violates the single subject

requirement of article III, section 14. With this title, the bill cannot validly become law.

To become law, the contents of this bill should be inserted into another bill that has a single subject sufficiently broad to encompass the current bill's contents. Examples of such titles would include: "A Bill for an Act Relating to State Government" or ". . . Relating to the Executive Branch."

However, because the bill calls for the Legislative Reference Bureau to conduct an analysis, we believe that a more commonly used method to request an analysis by the Legislative Reference Bureau would be to adopt a resolution or a concurrent resolution that incorporates the contents of this bill instead of passing this bill.

We respectfully ask the Committees to hold this bill.



# **UNIVERSITY OF HAWAII SYSTEM**

## **Legislative Testimony**

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Written Testimony Presented before the

Joint Senate Committees on Health  
and  
Human Services  
February 1, 2010, at 2:45 p.m.

By  
Virginia S. Hinshaw, Chancellor  
And  
Dr. Carl Bonham, Executive Director  
University of Hawai'i Economic Research Organization  
University of Hawai'i at Mānoa

SB 2265 – Relating to the Departments of Health and Human Services.

The University of Hawai'i supports the need to quantify the consequences of reducing vital state services provided by the Departments of Health and Human Services.

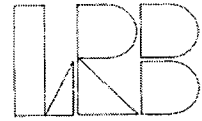
An analysis of the economic repercussions of reducing services on agencies, individuals and communities is an extremely complex task. To be done properly this task would involve extensive data collection, surveying, interviewing, focus group activities, and advanced economic modeling. This type of analysis is beyond the current capacity of the University of Hawai'i Economic Research Organization (UHERO). Performing such analysis would require a significant increase in resources and staff levels. We request that the bill, if passed, be amended so as not to adversely impact UHERO's very limited staff and budget resources.

We would welcome a meeting with interested parties to discuss the issues raised in this resolution.

Ken H. Takayama  
Director

Charlotte A. Carter-Yamauchi  
First Assistant

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LEGISLATIVE REFERENCE BUREAU  
State of Hawaii  
State Capitol  
415 S. Beretania Street, Room 446  
Honolulu, Hawaii 96813

## Written Testimony

### **SB2265**

### **RELATING TO THE DEPARTMENTS OF HEALTH AND HUMAN SERVICES**

Testimony by the Legislative Reference Bureau  
Ken H. Takayama, Director

Presented to the Senate Committee on Health  
and Committee on Human Services

Monday, February 1, 2010, 2:45 p.m.  
Conference Room 016

Chairs Ige and Chun Oakland and Members of the Committees:

I am Ken H. Takayama, Director of the Legislative Reference Bureau. Thank you for this opportunity to testify on Senate Bill No. 2265. The Bureau takes no position either for or against this measure, but has the following observations and concerns:

1. If the Legislature wants us to conduct this study, we will do the best we can with the resources that we have.
2. Section 2(a) of the bill directs the Bureau to conduct an economic analysis of the impacts on groups and communities stemming from the reduction in services provided by the Departments of Human Services and Health, and lists 8 particular aspects for inclusion.
3. The Bureau does not have economists on staff and lacks the technical expertise to conduct any sort of formal economic analysis. Consequently, the University of Hawaii Economic Research Organization (UHERO), mentioned in section 2(b) would be the appropriate agency to conduct the study. We note that an economic analysis on a subject of this broad a scale would probably be very costly.
4. More importantly, even if the bill were rewritten to require a study that the Bureau could carry out (i.e., information gathering and reporting rather than economic analysis), this study is so vast that it could more than consume the resources of the Bureau's entire research section. The study, which could

easily be broken down into three or four studies, by its terms would appear to cover subjects including (among others):

(a) Public health generally, including, among others:

- (1) Maternal and child health
- (2) Immunizations
- (3) Communicable diseases
- (4) Dental health
- (5) Emergency medical services
- (6) Alcohol and drug abuse
- (7) Health status monitoring (vital statistics)
- (8) State health laboratory
- (9) Mental health--both adults and juveniles

(b) Environmental protection/health

- (1) Air, water, noise pollution
- (2) Integrated solid waste management
- (3) Hazardous substances
- (4) Sanitation
- (5) Food and drugs
- (6) Radiological health

(c) Human services

- (1) Public welfare income maintenance
- (2) Public welfare medical assistance
- (3) Social services
- (4) Elderly affairs
- (5) Youth services
- (6) Vocational rehabilitation
- (7) Public housing

5. Even with a great deal of assistance and cooperation from a wide range of executive agencies, the vast scope of the study directed may well have to result in a study that is more superficial than the committees may desire.

6. For the foregoing reasons, we respectfully request that the Committees amend section 2 of the bill to either:

(a) Direct the University of Hawaii Economic Research Organization (UHERO) to conduct the study if the focus is to remain one of economic analysis; or

(b) If the Legislative Reference Bureau is to conduct the study, change the focus of the study to one of information gathering and reporting (instead

of economic analysis) and reduce the scope of the study to one of the three enumerated areas ((a), (b), or (c)).

7. The Bureau will be happy to assist the Committees with any committee draft or report that may be required.

Thank you very much for this opportunity to testify.



## HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

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The Twenty-Fifth Legislature, State of Hawaii  
Hawaii State Senate  
Committee on Health  
Committee on Human Services

Testimony by  
Hawaii Government Employees Association  
February 1, 2010

S.B. 2265 – RELATING TO THE  
DEPARTMENTS OF HEALTH  
AND HUMAN SERVICES

The Hawaii Government Employees Association supports the purpose and intent of S.B. 2265, which directs the Legislative Reference Bureau (LRB) to analyze and report on the economic impacts on agencies, individuals and communities as a result of the reduction in services for the Departments of Health and Human Services.

The Governor's reduction-in-force was done without careful planning, nor consideration of the effects on the level of services provided by these departments and the negative impact on employee morale and daily operations. This administration made the reduction-in-force even worse by imposing unrealistic deadlines on employees and departments to complete the reduction-in-force process, and by refusing to consult with the HGEA as required under Chapter 89, HRS, and our contracts. The lack of adequate planning was also evident in the lack of a uniform and objective approach of selecting positions for layoff.

According to testimony by several department heads at legislative briefings last fall, agencies were directed to reduce their staff based upon the size of their general fund appropriations. The DHS and DOH are among the largest recipients of general funds and each department lost more than 300 positions. There were other alternatives the administration deliberately ignored such as a voluntary separation and incentive program that would have been far less disruptive to services and hurtful to employees.

Cuts of this magnitude cannot be made without major problems in the level of services provided to the public. Based upon our members' input we know there are several programs in DHS that can no longer serve their vulnerable populations effectively, some of which are mandated under state or federal law. Creating even more problems is DHS' and DOH's unwillingness to fill positions vacated through retirement or resignation unrelated to the RIF.



Hawaii State Senate, Committee on Health and Committee on Human Services  
February 1, 2010  
Re: S.B. 2265 – Relating to the Departments of Health and Human Services  
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We sincerely appreciate the opportunity to testify in support of S.B. 2265.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Nora A. Nomura", with a long horizontal flourish extending to the right.

Nora A. Nomura  
Deputy Executive Director



Senate HTH/HMS Committee  
Monday, Feb 1, 2010  
2:45 pm  
Room 016

National Association of Social Workers

Hawaii Chapter

January 31, 2010

TO: Senator David Ige, Chair  
Members of the Senate Health Committee  
Senator Suzanne Chun Oakland  
Members of the Senate Human Services Committee

FROM: Debbie Shimizu, LSW  
National Association of Social Workers, Hawaii Chapter

RE: SB 2265 Relating to the Departments of Health and Human Services- **SUPPORT WITH AMENDMENTS**

Chair Ige, Chair Chun Oakland and members of the Senate Health and Human Services Committees, I am Debbie Shimizu, Executive Director of the National Association of Social Workers (NASW), Hawaii Chapter. **NASW supports SB 2265 directing LRB to analyze and report on the economic impact on agencies, individuals and communities as a result of the reduction of services in DOH and DHS and offer amendments.**

NASW heard testimony from numerous community agencies and consumers who are being affected by the current budget cuts in DOH and DHS. We have also heard testimony from DHS that their budget cuts are being implemented without any impact to the Department's ability to provide services to the community. They would still be able to provide the same level of services despite the loss of over 300 positions and a shortfall of \$84 million in general funds for SFY 2010 and \$146 million in general funds for SFY 2011. A LRB analysis on the impact of these budget reductions would be extremely valuable for us to understand the state's economic situation and plan to provide health and human services to the people who need these services.

I would like to offer a few amendments to this bill:

- 1) page 4 line 19- add "children"  
...(1) The number and types of elderly, disabled, **children**, youth, and
- 2) page 5, line 4- add "state and contracted"  
...**state and contracted** agencies and entities that provide services;
- 3) page 6 line 1- add "College of Social Science Public Policy Center" or the "Myron B. Thompson School of Social Work"  
....organization, **or the College of Social Science Public Policy Center, or the Myron B. Thompson School of Social Work** shall be available to collaborate with the

Thank you for this opportunity to testify.

To: Senator David Ige  
Chair of the Senate Committee on Health

Senator Suzanne Chun Oakland,  
Chair of the Senate Committee on Human Services

From: Laura Robertson, President/CEO; Goodwill Industries of Hawaii, Inc.

Date: January 30, 2010

Re: **Testimony in Support of SB 2265: Relation to the Departments of Health and Human Services**

Goodwill Industries of Hawaii, Inc. is in support of SB 2265 which requires the Legislative Reference Bureau to conduct a study and report back to the Legislature the results prior to the 2011 Legislative Session.

Goodwill Industries of Hawaii, Inc. ("Goodwill") has served the State of Hawaii as a non-profit organization for nearly 50 years consistently delivering high-quality educational, case management, employment, life, and social skills services. Our mission statement is as follows: "Goodwill Industries of Hawaii, Inc. helps people with employment barriers to reach their full potential and become self-sufficient." Goodwill values work as a basic right that will assist people to attain their life goals.

Reductions in funding to health and Human Services are often more transparent that cuts in other types of programs such as Education or the University of Hawaii, because many of these programs are provided by individual non-profits. When a non-profit contract is reduced, the non-profit internally adjusts often in a silent manner, unlike the within the Education and University arenas.

Oahu

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Goodwill Industries runs many different programs, and over the last 18 months, the sum of our reductions total approximately \$1 million dollars. Behind this sum are the clients who are no longer served, the qualified and experienced staff that has been layed off or received reductions in their work hours, and a fraying social fabric that compounds through other social problems.

We support this measure which would help the legislators and other elected officials to see clearly the extent of the impact on our State that these budget reductions have. We realize that difficult choices must be made in these economic times, but the people we serve, those who live in poverty, those who cannot speak for themselves deserve to have their stories told and the impacts these budget reductions have had on them.

Thank you for the opportunity to provide testimony on this measure,