

SR90



**STATE OF HAWAII  
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

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March 28, 2011

To: The Honorable Suzanne Chun-Oakland and David Ige, Chairs  
Senate Committees on Human Services and Ways and Means

Date: Tuesday, March 29, 2011  
Time: 9:00 a.m.  
Place: Conference Room 211, State Capitol

From: Mila Kaahanui, Executive Director  
Office of Community Services  
Department of Labor and Industrial Relations

**TESTIMONY IN STRONG SUPPORT**

**Re: SCR 150/SR90- Supporting the Community Services Block Grant program and strongly opposing budget cuts proposed by the President of the United States and members of the United States Congress.**

Good Afternoon Chair Chun Oakland, Chair Ige, and members of the committees, my name is Mila Kaahanui, Executive Director for the Office of Community Services (OCS) in the Department of Labor and Industrial Relations. OCS serves the state as the coordinating office for Low-income Persons, Immigrants, and Refugees, as well as the administrator of the Community Services Block Grant (CSBG). We appreciate the opportunity to testify in strong support of this measure.

We thank you for your resolution to the members of Congress and the President supporting this important program. As you have no doubt heard from Community Action Agencies (CAA's) statewide, the CSBG program allows these agencies and other organizations to effectively tailor poverty-reduction programs for the unique needs of our State.

In addition to the history of the CSBG program, we would like to take this opportunity to augment your understanding of this program in OCS. This is perhaps best represented by a phrase from the original name of the program, "Economic Opportunity." In OCS CSBG, through leveraging of administrative funds, allows us to run Federal programs complimentary to the goal of economic self-security. For example, the Weatherization Assistance Program (WAP), bringing free solar water heaters and other energy efficiency measures at no charge to qualified, low-income persons, the Senior Farmer's Market Nutrition Program (SFMNP), a program

providing Seniors in our community fresh produce to augment their diets, The Emergency Food Assistance Program (TEFAP), a program purchasing surplus agricultural commodities through the USDA for distribution through our neighborhood Food Banks, and the Employment Core and Creation Services for Refugees, a program providing Job Assistance and Entrepreneurship opportunities for qualified refugees. These are all worthy programs offered at no charge and staffed in whole or part by CSBG funds.

Additionally, CSBG funds allow OCS to fund necessary services in the community that effectively align with the Results-Oriented Management Accountability (ROMA) goals of CSBG. Over many years, OCS has had the privilege of working with countless agencies of varying sizes, all with ideas that attack the ongoing challenge of economic self-sufficiency and security in meaningful ways. OCS staff, funded by CSBG, write grants for programs that align with our mission, and manage these programs to ensure concrete deliverables and accountability to the Federal Government and other funding agencies.

Outside of OCS our partner agencies, the Community Action Agencies (CAA's) receive CSBG funds, which they use in business development training, micro-loan programs, social entrepreneurship, and other worthwhile programs. Since each CAA is unique, we will defer to their individual testimonies to describe their programs.

We thank you again for the opportunity to provide testimony and share the importance of this often overlooked grant, and will be available for questions should the committee need clarification on an any matter.



## KAUAI ECONOMIC OPPORTUNITY, INCORPORATED

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February 17, 2011

President Barack Obama  
President of the United States of America  
The White House  
1600 Pennsylvania Avenue NW  
Washington, DC 20500

Dear Mr. President:

In my tenure at Kauai Economic Opportunity, Incorporated (KEO), a Community Action Agency, as a worker in several positions, I have seen many poor economically disadvantaged reach all levels of self-sufficiency, sustain themselves and obtain economical health and independence.

Over the past 40 years, I have witnessed several Presidents and Administrations – some who recognized the need of those less fortunate and others who unsuccessfully attempted to demolish the opportunities for the economically devastated by terminating Community Action Agencies and/or funding to such agencies devoted to assisting the poor. When you were elected President, recognizing what platform you presented, recognizing what I thought you represented, gave me comfort that at least for your term(s) of office, those less fortunate would continue accessibility to opportunities, that, in the past, we all struggled to successfully preserve.

Reviewing your Budget Message to the Congress of the United States of America on February 14, 2011, you stated that “an economy had been shrinking is beginning to grow again” and that “even as recovery begins to take hold, we have more work to do to live up to our promise by repairing the damage this brutal recession has inflicted on our people, generating millions of new jobs, and seizing the economic opportunities of this competitive new century.” I am so saddened and somewhat confused that by the theme you convey throughout your delivery conflicts with your proposed action to eliminate Community Action Programs funding by 50%! I’m further concerned that in your State of the Union Address, these programs that “invest” in the poor were singled out by you as a program to cut.

The amount you propose to cut, \$350 million, is a minute amount out of the total \$79.9 Billion of the Department of Health and Human Services budget and an inconceivable speck in the total U.S. Government budget you propose of \$3.7 trillion. However, with your proposal, the weakest population group of our “at home in the United States” will suffer at least by 50%! Specifically, KEO, as a 45year old Community Action Agency we have within the past fiscal year applied for and received approximately less than \$300,000.00 in CSBG funds. We have served more than 5,000 poverty level individuals. We have been able to accomplish this because we applied for and received more than \$5,000,000.00 for programs and services needed by our participants. Our rate of return is at least \$17.00 of additional funds for each CSBG \$1.00 we received. We

Alexander & Baldwin Foundation\*Combined Federal Campaign\*Community Services Block Grant\*County of Kauai Housing Agency, Agency on Elderly Affairs\*Dept. of Housing & Urban Development\*Hawaii Community Foundation-May Templeton Hopper Fund\*Bank of Hawaii Teresa F. Hughes Trust Estate.\*State of Hawaii-Dept. of Human Services, Dept. of Health Alcohol & Drug Abuse Division, Dept. of Defense, Dept. of Labor & Industrial Relations Office of Community Services, Hawaii Public Housing Authority, Judiciary \*Office of Hawaiian Affairs\*Hawaii Hotel Association Kauai Chapter\*Hawaii Justice Foundation\*Kauai United Way\*KIUC Charitable Foundation\*USDA\*FEMA\*Margaret Cargill Foundation\*and other private funding sources.



employ 70. The CSBG investment in our agency has exceeded many other Federal agencies and programs, as you may know – and that all equates to expanded services towards those in need. An agency brochure of Kauai Economic Opportunity, Incorporated has been enclosed to share the breath of Kauai Economic Opportunity, Incorporated. Removal of CSBG funds may demolish this in total.

When you were elected, I had hope and was somewhat “relieved” in that I firmly believed that your principles and the execution of your beliefs would extend to those most needy. I feel now I may have been mistaken in my belief. The Budget for fiscal year 2012 that you have presented to the Congress on February 14, 2011 has caused me to believe that you propose to take away a paltry amount of funding, as a part of an expansive budget, from the most vulnerable of all populations living here in the United States of America.

The Community Action Agencies, with CSBG funding, are the mandate to serve the poor exclusively. President Obama, please reconsider your proposal and help us provide the poor with basic needs and attain sustainability. Please do not take away the limited funding that may be available to assist those in need – as, when you are already “injured,” you may not be able to “scream” as much, however with the inflection of more injury, your hurt will deepen – sometimes unnoticed. President Obama, please do not surrender on the War on Poverty that Presidents Kennedy and Johnson initiated in 1965 through the Office of Economic Opportunity Act. Please do not turn the “War on Poverty” to the “War Against Those in Poverty”. At your press conference on, February 15, 2011, you were asked by a reporter why might you attempt to balance the budget by reducing funds to the poor by reductions such as the Community Services Block Grant, the PELL and the LIHEAP funds. You explained that you were simply removing funds that had increased the funding levels of PELL and LIHEAP in the past few years. You were silent on responding to the reason for CSBG reductions. I can almost understand, with reservation, (as these reductions will hurt the poor), perhaps removing gains in the past year or so of funding. However, to my knowledge, CSBG has not had an increase in its funding for the past several years.

In your presentation of the 2012 Budget you indicate that cuts to CSBG are due to “nonaccountability”. As an administrator, I know the agency I represent is wholly accountable for its funds and services. As an administrator, I also feel that I am held accountable for funding, policies, procedures and delivery of services to those eligible and needy. In my high regard of you as the “Top Administrator” of the country, its actions and budget, I would hope that you would hold your designated administrator of the CSBG funds accountable, rather than deny services to those who need them, and, in essence, have no responsibility for accountability. Why must an eligible person and/or family be denied due to an entity’s or person’s responsibility for accountability, if that, in fact, is the true reason?

I feel, in your heart you are deeply concerned about those in need and without opportunities and I ask you from the bottom of my heart: Please do not inflict more pain and injury to those in need, by removing what little there is. Please reconsider your budget proposal and increase the level of funding for this dire human need. In your delivery you state “momentum is building” – yes, I believe that and let’s share that momentum with the poor too!

Mr. President, please feel free to contact me should you have any questions and/or need further clarification. I can be reached by phone at (808)245-4077, by fax at (808)245-7476 and by e-mail at [keo@keoinc.org](mailto:keo@keoinc.org). It would be an honor to hear from you. I would be so honored to sit and talk with you on this crucial issue.

I thank you for your consideration of my request and hope you can find a way to act favorably on such. From the island of Kauai, I send you and your family our warmest Aloha and hope you can visit us soon.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "MaBel Ferreiro Fujiuchi". The signature is written in black ink and is positioned above the typed name.

MaBel Ferreiro Fujiuchi  
Chief Executive Officer



March 28, 2011

To Whom It May Concern:

I am in support of SC150 supporting Community Action Agencies.

In Maui County, the community action agency is Maui Economic Opportunity, Inc.. MEO receives about \$466,000 a year in community services block grant funding and generates \$18 million a year in services to low-income families and individuals and to the small-business community of Maui County. Last year, MEO served 22,000 individuals in Maui County.

Overall, the Community Services Block Grant is administered by the states with the purpose of providing core funding to local agencies such as MEO to reduce poverty, revitalize low-income communities and to empower low-income families to become self-sufficient. The Community Services Block Grant network consists of more than 1,100 agencies that create coordinate and deliver programs and services to low-income Americans in 96 percent of the nation's counties.

Because the community services block grant funds the central management and core activities of these agencies, the community services block grant network is able to mobilize additional resources to combat the central causes of poverty. That mobilization of additional resources is a hallmark of how we operate at MEO, but without our core funding, that ability to leverage funds would not be possible.

Unlike other block grants the Community Action Network has developed a highly structured management and accountability system. This system is known as ROMA (Results Oriented Management and Accountability). This management system was chosen as a semi-finalist for the prestigious Innovations in American Government Awards from the Institute for Government Innovation at Harvard University's John F. Kennedy School of Government in 2002.

The ROMA system provides timely information to states and local agencies that they can use to constantly improve performance. Along with mobilization of resources, constant improvement is another core value for MEO.

Community action is not a program. It is a federal investment that creates an infrastructure able to respond locally to the national problems that cause poverty, including the great recession of 2008, from which we are slowly emerging. Community needs assessments drive the response and innovation.

At MEO our motto is, "Helping People. Changing Lives." We believe in offering a hand up and not a hand out. We do this because personal responsibility is another core MEO value by which we operate in service to all of Maui County, including Lana'i, Moloka'i and rural East Maui.

A brief sampling of MEO's comprehensive community-driven programs include, among others, community services, early childhood services, including Head Start, business development,

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### The Promise of Community Action

Community Action changes people's lives, embodies the spirit of hope, improves communities, and makes America a better place to live. We care about the entire community, and we are dedicated to helping people help themselves and each other.



transportation for seniors and those with disabilities, Enlace Hispano, Farmworker programs, weatherization, legal services, youth services, the reintegration of former inmates into society, micro enterprise development, family strengthening and leadership development.

In 2009, according to a report by the National Association for State Community Services Programs, the Community Services Network provided services to 20.7 million low-income individuals, including nearly 5 million children, 2.3 million seniors and more than 1.7 million individuals with disabilities.

In addition, the community services network, including agencies such as MEO, reduced or eliminated 34.3 million conditions of poverty as measured by: Gaining Employment, Building Assets and Improving Child Development.

I invite you to learn more about community action and MEO by calling us at 249-2990, and I respectfully request that you contact our representatives in Congress to maintain funding for community action and the vital work it is doing to end poverty and despair across America and in Maui County.

Sincerely,

Lyn McNeff  
CEO



## ChunOakland3 - Serena

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, March 28, 2011 3:58 PM  
**To:** HMS Testimony  
**Cc:** keo@keoinc.org  
**Subject:** Testimony for SCR150 on 3/29/2011 9:00:00 AM

Testimony for HMS/WAM 3/29/2011 9:00:00 AM SCR150

Conference room: 211  
Testifier position: support  
Testifier will be present: No  
Submitted by: MaBel Fujiuchi  
Organization: Kauai Economic Opportunity, Inc  
Address:  
Phone:  
E-mail: [keo@keoinc.org](mailto:keo@keoinc.org)  
Submitted on: 3/28/2011

**Comments:**

We support this resolution and details to enhance our support are included in a letter that we previously submitted to President Obama.