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March 20, 2014

The Honorable David Ige  
Chair, Senate Committee on Ways and Means  
State Capitol, Room 210  
Honolulu, Hawaii 96813

LATE TESTIMONY

**RE: HB 1737 HD1**  
**Making an Appropriation for the Office of Community Services**

Dear Chairman Ige and Members of the Committee:

I am testifying in support of HB 1737 HD1, which makes an appropriation for the Office of Community Services (OCS) within the Department of Labor and Industrial Relations (DLIR), which has been designated the primary state agency to oversee the subsequent allocation of state monies appropriated by the Legislature to private and usually not-for-profit organizations through the State's Grant in Aid program, once the administration has made the determination to release the funding.

As someone who works closely with not-for-profit organizations and previously served the House leadership as a longtime senior policy analyst, I truly appreciate the vital part that not-for-profit organizations play in society as providers of necessary services to the community, the role of the Legislature in determining policy priorities for the State of Hawaii, and the role of the State's executive branch in administering those policies.

That said, it is imperative that OCS be provided with sufficient fiscal and human resources necessary to both conduct and fulfill its designated mission with regards to not-for-profit organizations in a timely manner. Far too often, legislative GIA appropriations lag for the better part of 12 months before they finally start reaching the hands of recipient organizations. Non-profit efforts are further hamstrung by the State's own regular and repeated violation of Sec. 42F-107, Hawaii Revised Statutes, which requires the Office of the Governor to notify these recipients of the status of their grant within ninety days of the enabling legislation's effective date. This precludes the ability of recipients to plan effectively, which is awkward to say the least if the State depends upon them to provide specific services to Hawaii residents.

Certainly, a good deal of this could be potentially alleviated if OCS were fully staffed and funded. Further, steps can be taken to alleviate the often needless duplication of information in triplicate required from a recipient first by the Legislature, then the Department of Budget and Finance and finally the Office of Community Services. It came to my attention at one point in 2011 that BUF staff were wholly unaware that recipients' GIA application forms were posted on the Legislature's website. Better efforts need to be made with regard to the sharing of information between various state agencies.

Sincerely,

**DONALD R. KOELPER**, Consultant