



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

March 10, 2019

TO: The Honorable Senator Russell E. Ruderman, Chair
Senate Committee on Human Services

FROM: Pankaj Bhanot, Director

SUBJECT: **HB 1417 HD 1 – RELATING TO HUMAN SERVICES**

Hearing: Monday, March 11, 2019, 2:45 p.m.
Conference Room 016, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports this measure that is consistent with administration proposal HB1001 and will further the transformation of DHS into an integrated human services delivery system that will be structured to provide benefits through a multi-generational approach. Using a multi-generational 'Ohana Nui approach will support our clients' abilities to achieve their full human potential, improve the well-being of Hawaii's families, and the community at large. DHS appreciates the support of House members.

PURPOSE: The purpose of this bill requires DHS to use an integrated and multi-generational approach to delivering human services to reduce the incidence of intergenerational poverty and dependence on public benefits. The House Committee on Finance defected the effective date and made technical amendments (HD1).

DHS has a large stake in ending poverty in Hawaii. DHS provides benefits and services to one in four Hawaii residents, or nearly 360,000 individuals, and provides medical insurance coverage for nearly one-half of Hawaii's children. DHS provides benefits and services relating to homelessness, education, employment, health care, child care, food security, protective services, and vocational rehabilitation.

DHS is part of the national movement to improve the delivery of human services lead by the National Governors Association, the American Public Human Services Association, and Ascend of the Aspen Institute, the Urban Institute, and others. DHS is adopting a service integration and multi-generational approach, is redesigning its business processes, and continues to improve its technology systems.

DHS recently completed its first departmental strategic plan to improve overall program outcomes and establish outcome measures of services for children, parents, and families geared to reduce adverse risks and increase protective factors that promote educational attainment and wage progression that lead to economic self-sufficiency. Through service integration and addressing the needs of multiple generations in a family concurrently, efforts and resources will be better targeted to support the well-being of individuals and families. Investment is also being directed to improving the human services workforce by supporting professional development to improve the work environment, encourage retention, and renew employees' dedication to helping Hawaii's vulnerable residents reach their human and economic potential.

Ultimately, the goals of transformation are to improve well-being of individuals, families, and the community, reduce intergenerational poverty, reduce dependence on public benefits, and reduce the human and fiscal costs of poverty. This administration bill will underpin the department's transformation from a siloed service delivery model to an integrated and multi-generational model.

Multiple studies identify the consequences of growing up in poverty: "individuals who grow up in poor families are more likely to be poor in early adulthood;" and "the chances of being poor in early adulthood increases sharply the longer the time spent in poverty in early childhood." See, Robert L. Wagmiller, Jr., and Robert M. Adelman, "Childhood and Intergenerational Poverty: The Long-Term Consequences of Growing up Poor."

The groundbreaking 1988 Adverse Childhood Experiences (ACE) Study showed clear linkage of the number of ACEs a child experienced to negative health outcomes in adulthood.

Further, a 2015 Swedish study, similarly confirmed the findings of the ACE study using Swedish population data, and concluded that "creating equal opportunities for

educational attainment may help to reduce the long-term effect of a disadvantaged childhood and postpone functional health problems." See N. Agahi, B. Shaw, S. Fors, "Social and economic conditions in childhood and the progression of functional health problems from midlife into old age," *J Epidemiol Community Health* 2014; 0:1–7. doi:10.1136/jech-2013-20369.

Preliminary analysis of data from Hawaii's Supplemental Nutrition Assistance Program (SNAP) show that a percentage of Hawaii's SNAP recipients experience intergenerational poverty. For those born from 1987-1996 (currently, 21-30 years old), over 35,000 received SNAP benefits in childhood and as adults, or 21 percent of (166,081) the total number of those born from 1987-1996 who received SNAP benefits during their lifetime. For those born, during the period 1977-1986 (currently, 31-40 years old), more than 33,000 received SNAP benefits in childhood and as adults, or 23.5 percent of (140,930) the total number of those born during the period 1977-1986 who ever received SNAP.

Of concern are the individuals in the above age groups who represent parents of young children. To change the trajectory of these families and individuals, DHS must transform its practices and provide services more effectively in a way that will support all family and household members' social capital, educational and economic potential to become self-sufficient, ultimately reducing their dependence on public benefits.

Thank you for the opportunity to provide comments on this measure.



HB1417 HD1
RELATING TO HUMAN SERVICES
Committee on Human Services

March 11, 2019

2:45 p.m.

Room 016

The Office of Hawaiian Affairs (OHA) **SUPPORTS** HB1417 HD1, which requires the Department of Human Services to use an integrated and multigenerational approach to delivering human services, to reduce the incidence of intergenerational poverty and dependence on public benefits.

Meaningful, holistic poverty relief may be particularly needed by the Native Hawaiian community, as OHA research and accounts from multiple Native Hawaiian serving institutions reveal that Native Hawaiian ‘ohana experience high rates of poverty and housing insecurity.¹ For example, according to OHA data, Native Hawaiian females have higher poverty rates than the statewide average from birth to age 34, and the highest rates of poverty for children in Hawai‘i occur among Native Hawaiian keiki kāne aged 5 (29.3%).³ It is common for older wāhine to live in multi-generational homes as they are often caregivers, or are receiving care from their children.² Native Hawaiian families are also disproportionately represented among the homeless and “hidden homeless” population³ and are more likely to live in multi-generational households.⁴

Unfortunately, living in poverty is often accompanied by myriad associated challenges, not just in accessing basic needs such as shelter, food, and healthcare, but also with respect to numerous other compounding risks and outcomes that can persist through generations. For example, many in poverty already experience depression and anxiety while facing the pressures of ensuring adequate health care and medical treatment for all members of the family; compounding factors such as unstable employment and the threat of losing one’s home can exacerbate such pressures and mental health challenges. A combination of such factors and others can in turn destabilize entire families emotionally, socially, and economically, creating a cycle of poverty that can persist through generations.

¹ See generally, OFFICE OF HAWAIIAN AFFAIRS, HAUMEA—TRANSFORMING THE HEALTH OF NATIVE HAWAIIAN WOMEN AND EMPOWERING WĀHINE WELL-BEING (2018).

² OFFICE OF HAWAIIAN AFFAIRS, HAUMEA—TRANSFORMING THE HEALTH OF NATIVE HAWAIIAN WOMEN AND EMPOWERING WĀHINE WELL-BEING (2018).

³ In addition to high rates of homelessness, 14.1% of Native Hawaiian households include a “hidden homeless” member, compared to the only 4.2% of other households. HAWAII‘I HOUSING FINANCE AND DEVELOPMENT CORPORATION, 2016 HAWAI‘I HOUSING PLANNING STUDY 73 (2016), available at https://dbedt.hawaii.gov/hhfdc/files/2016/12/State_HHPS2016_Report_111416-FINAL-122216.pdf.

⁴ OFFICE OF HAWAIIAN AFFAIRS, NATIVE HAWAIIAN DATA BOOK (2019).

Integrated, multigenerational solutions can allow human services delivery to assist families with their comprehensive needs, breaking the cycle of poverty and allowing them to survive and thrive. By addressing the myriad compounding pressures and conditions that accompany and exacerbate poverty and poverty-associated challenges, such a service delivery approach can offer innovative and holistic relief to the burdens of poverty, while overcoming the longstanding barriers that have kept many families, including Native Hawaiian 'ohana, from improving their economic and overall well-being for generations. HB1417 HD1 would encourage the exploration, development, and implementation of such human services delivery solutions, and allow the state to focus on truly systemic solutions that can meaningfully improve the well-being and self-sufficiency of Hawai'i's indigent families, now and for generations to come.

Accordingly, OHA urges the Committee to **PASS** HB1417 HD1. Mahalo nui for the opportunity to testify on this measure.



**Testimony to the Senate Committee on Human Services
Monday, March 11, 2019; 2:45 p.m.
State Capitol, Conference Room 016**

RE: SUPPORTING HOUSE BILL NO. 1417, HOUSE DRAFT 1, RELATING TO HUMAN SERVICES.

Chair Ruderman, Vice Chair Rhoads, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **SUPPORTS** House Bill No. 1417, House Draft 1, RELATING TO HUMAN SERVICES.

The bill, as received by your Committee, would clarify the mission of the Department of Human Services to emphasize an integrated and multigenerational approach to improve economic security and reduce the incidence of intergenerational poverty and dependence on public benefits. The bill would take effect on July 1, 2030.

Federally Qualified Health Centers (FQHCs) provide desperately needed medical services at the frontlines in rural communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of health.

In 1854, Abraham Lincoln wrote that the *"object of government is to do for a community of people whatever they need to have done, but cannot do at all, or cannot so well do, for themselves, in their separate and individual capacities."* Lincoln believed, in other words, that government is how we organize our responsibilities to each other.

The path envisioned by Lincoln, where government naturally assumes a smaller role -- not by refusing to meet its responsibilities, but because in meeting those responsibilities fully, the need for government diminishes, would appear to be at the heart of the proposed bill.

Taking responsible steps to reduce poverty is not merely a moral imperative but an economic one. And government should act now. This bill ensures that the State of Hawaii firmly moves toward that end.

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President Lincoln couldn't have envisioned the complex problems we face now. But when he wrote that government "*embraces all which, in its nature, and without wrong, requires combined action, as public roads and highways, public schools, charities, pauperism, orphanage, estates of the deceased, and the machinery of government itself,*" he had a good handle on what it meant to use government as a tool to provide the stability and opportunity needed to attack poverty.

Accordingly, we **SUPPORT** this measure and urge your favorable consideration.

In advance, thank you for your consideration of our testimony.



TO: Chair Ruderman, Vice Chair Rhoads, and Members of the Senate Committee on Human Services

FROM: Ryan Kusumoto, President & CEO of Parents And Children Together (PACT)

DATE/LOCATION: March 11, 2019; 2:45 p.m., Conference Room 016

RE: TESTIMONY IN SUPPORT OF HB 1417– RELATING TO POVERTY.

We ask you to support HB 1417 which requires the Department of Human Services to use an integrated and multigenerational approach to delivering human services to reduce the incidence of intergenerational poverty and dependence on public benefits.

Poverty across the globe has reached epidemic proportions. In Hawaii, it is no different. As one of Hawaii's social service providers, serving over 15,000 clients annually, we have a vested interest in helping Hawaii's residents to break the cycles of poverty. Over 90% of the clients PACT serves are living in deep poverty. Many factors contribute to poverty: political and economic structures, community conditions, exploitation and the least of which is an individual's choice. We would be remiss in not supporting the department in clarifying their vision for addressing poverty in a way that it is aligned with best-practice and supports those in poverty.

The number of individuals and families whose lives are affected by poverty in Hawaii is disheartening. The existence of intergenerational poverty is prevalent. The costs associated with poverty are also well documented. The long-term effects of poverty on individuals and families, especially children, are harmful and detrimental to the potential for healthy and promising futures.

- Aloha United Way's ALICE (Asset Limited Income Constrained, Employed) Report notes:
 - 48% of Hawaii's families with children have incomes below the ALICE survival budget
 - 37% of senior households in Hawaii qualify as ALICE.
 - \$72,336 is the average annual Household Survival Budget for a family of four living in Hawaii.
 - Housing represents a Hawai'i family's greatest expense—an average of \$1,362 per month for a two-bedroom apartment (Source: U.S. Department of Housing and Urban Development).

- National Center for Children in Poverty notes:

- Poverty can impede children's ability to learn and contribute to social, emotional, and behavioral problems.
- Poverty contributes to poor health and mental health.
- Risks are greatest for children who experience poverty when they are young and/or experience deep and persistent poverty.
- **Poverty is the single greatest threat to children's well-being.**

In Marcella Wilson's book *Diagnosis Poverty*, she encourages us to think about "treating poverty as condition that can be treated by proper assessment, standards of care, and quality-control measures. After decades of well-intentioned but ineffective remedies... poverty needs nothing less than a scalable, sustainable, national standard of care to treat the condition of poverty that requires verifiable and accountable coordination among human services, healthcare, education, and government programs."

DHS provides services to nearly one in four Hawaii residents or close to 360,000 individuals on an annual basis. Social service agencies like Parents And Children Together attempt to focus our services on "integrated, multigenerational approach[es] to addressing poverty and dependence of public benefits". It behooves us to support DHS in their mission to continue their Ohana Nui efforts which focus on reducing the time children, families, and individuals spend in poverty and supporting every person's ability to meet their human and economic potential.

Founded in 1968, Parents And Children Together (PACT) is one of Hawaii's not-for-profit organizations providing a wide array of innovative and educational social services to families in need. Assisting more than 15,000 people across the state annually, PACT helps families identify, address and successfully resolve challenges through its 18 programs. Among its services are: early education programs, domestic violence prevention and intervention programs, child abuse prevention and intervention programs, childhood sexual abuse supportive group services, child and adolescent behavioral health programs, sex trafficking intervention, poverty prevention and community building and economic development programs.

Thank you for the opportunity to testify in **support of HB 1417**, please contact me at (808) 847-3285 or rkusumoto@pacthawaii.org if you have any questions.

HB-1417-HD-1

Submitted on: 3/7/2019 4:53:41 PM

Testimony for HMS on 3/11/2019 2:45:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Allix Hessick	Individual	Support	No

Comments:

I believe that the passage of this bill should be supported and that a new system of service delivery need to be trained for and implented; Per noted that multicultural and intergenerational evidence supported by multiple studies of the causes and prevention of poverty will be beneficial, in the long term at the least, to establishing a society that is more self sufficient, and not bonded to situational poverty by lack of skill, and societal inequalities in education, or human service resources.

Senator Russell E. Rudman, Chair
Senator Karl Rhoads, Vice Chair

Committee on HUMAN SERVICES

Rie Doi-Stewart

Monday, March 11th, 2019

Support for H.B. No.1417, HD1, Relating to Integrated and Multigenerational Approach;
Reduction of Intergenerational Poverty

Dear Senator Rudman,

I am submitting this testimony in support to House Bill 1417, A Bill for an Act Relating to Integrated and Multigenerational Approach; Reduction of Intergenerational Poverty, which would provide to use an integrated and multigenerational service delivery approach to reduce the incidence of intergenerational poverty and dependence on public benefits, consistent with the nationally recognized best practices.

Every year, the perimeters of the Federal Poverty Level (FPL) increase based on the cost of living. In Hawaii, single adult poverty line is \$14,380 but need to earn the living wage is 15.39 (or an annual salary of about \$32,000.) 1 in 6 Hawaii residents live in poverty. As of this year, minimum wage is now \$10.10 but at \$21,000 before taxes, anyone working a full-time minimum wage job is considered way below "very low income" status by HUD (United States Department of Housing and Urban Development) requirements.

Robert L. Wagmiller, Jr., and Robert M. Adelman, found that "individuals who grow up in poor families are much more likely to be poor in early adulthood. Moreover, the chances of being poor in early adulthood increase sharply as the time spent living in poverty during childhood increases". In a 2014 Swedish study that "showed social and economic disadvantages in childhood were associated with an earlier onset and faster progression of functional health problems from midlife into old age".

I know several adults who were abused in early childhood, but they all suffered mentally even after mostly becoming adults. Poverty is a linkage, and the negative personal influence or social impact poverty creates is immeasurable. Abused environment is poverty and divorce, which is one of the factors of abuse. Poverty will not be improved unless governments seriously work together to change social structure. It should not be Hawaii only beautiful in appearance, it should be Hawaii where each resident living here live in the same condition. There should not be abuse or discrimination due to poverty.

With so many people living in poverty in Hawaii and the definition of this Bill is to hope to make Hawaii a better place for all with an equal environment, I support the passage of this Bill and the protection of the poverty stricken. I urge the committee to support H.B. No. 1417.
Thank you for your time and this opportunity to testify.

Sincerely,
Rie Doi-Stewart

Bachelor of Social Work School Student at the University of Hawaii at Mānoa

References

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- Lincoln, M. (2018). *Report: In Honolulu, \$40K salary now considered 'very low income'* Hawaii News Now. Retrieved from <http://www.hawaiinewsnow.com/story/38019260/40000-salary-now-considered-very-low-income-in-honolulu-per-new-federal-guidelines/>