



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

April 1, 2019

TO: The Honorable Senator Donovan M. Dela Cruz, Chair  
Senate Committee on Ways and Means

FROM: Pankaj Bhanot, Director

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

Hearing: April 3, 2019, 10:30 a.m.  
Conference Room 211, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) supports this measure that is consistent with administration proposal SB1227 HD1 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.

DHS requests one amendment to effectuate the effective date.

**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 whoever 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.



O'ahu County Democrats  
oahudemocrats.org



Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee on Ways and Means,

**RE: HB1417 HD1, Relating to Human Services.**

The O'ahu County Democrats write in support of House Bill 1417, House Draft 1.

Our Democratic Platform on O'ahu begins with the goal of eliminating poverty. Poverty is expensive for taxpayers, an inefficiency of our economy. It is primitive and cruel in 21st century America. It is possible to eliminate poverty in America, and we will work to the end together.

This measure seeks to improve human services delivery in the State of Hawaii, through the Department of Human Services. We know that there is strong correlation to suggest poverty is inter-generational, in essence a trap that one is born into, and is unlikely to escape.<sup>1</sup> Therefore, it makes good sense to deliver services in a multigenerational manner. We also know that, following the Pareto principle, disproportionately small numbers of people cost the system more money. We can better ensure the public welfare, comprehensively providing services to families, rather than treating individuals in isolation. Multi-generational households are how many, if not most, local people who are poor can *endure and persist* in spite of poverty.

Furthermore, per our Platform we "value and wish to foster the preservation of our host culture." In an active sense, this measure permits the integration of state services with the specific cultural setting of Hawaii. As a planning mechanism, this is wise, but it is also in some sense humane.

Please vote in support of HB1417 HD1. Mahalo for your consideration.

A handwritten signature in black ink that reads "DP Armstrong".

DYLAN P. ARMSTRONG, VICE CHAIR  
O'AHU COUNTY COMMITTEE, O'AHU COUNTY DEMOCRATS

1. Hawaii Appleseed Center for Law and Economic Justice. The State of Poverty in Hawaii. 2016. <http://hiappleseed.org/wp-content/uploads/2016/11/The-State-of-Poverty-in-Hawaii%CA%BBi-and-How-to-Restore-our-Legacy-of-Fairness.pdf>



## **HB1417 HD1 Multigenerational Poverty Support**

COMMITTEE ON WAYS AND MEANS:

- Sen. Dela Cruz, Chair; Sen. Keith-Agaran , Vice Chair
- Wednesday, Apr. 3<sup>rd</sup>, 2019: 10:20 am
- Conference Room 211

## **Hawaii Substance Abuse Coalition Supports SB1227 HD1:**

*GOOD MORNING CHAIR, VICE CHAIR AND DISTINGUISHED COMMITTEE MEMBERS. My name is Alan Johnson. I am the current chair of the Hawaii Substance Abuse Coalition (HSAC), a statewide organization of over 30 non-profit alcohol and drug treatment and prevention agencies.*

### **What Is It?**

Situational temporary poverty, when involving severe health problems or unresolved traumas in a family, can often lead to multigenerational poverty. The next generation of family members can suffer from poor educational performance, behavioral problems, lack of motivation, and feelings of despair. The result is a complex set of social and emotional problems with recurring stressors that can lead to cognitive and emotional impairment as well as health and safety issues.

### **What Happens:**

Being raised in a high-poverty neighborhood in one generation has a substantial negative effect on a child's cognitive ability in the next generation. A family's exposure to neighborhood poverty across two consecutive generations reduces a child's cognitive ability by more than half a standard deviation.<sup>1</sup>

Disadvantaged neighborhood environments makes everyday living a struggle. Multiple inherent risks rebound off of each other in such a manner that one problem contributes to another and then another until the sum total of the consequences becomes devastating. (Atzaba-Poria, Pike, & Deater-Deckard, 2004). Longer term adverse experiences can lead to depression and mental illness. As with many behavioral health issues, denial and shame from stigma often prevents them from seeking the necessary help for recovery.

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<sup>1</sup> The Legacy of Disadvantage: Multigenerational Neighborhood Effects on Cognitive Ability (2012): <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3286027/>

Neighborhood inequality over time influences children and family trajectories causing a cumulative effect that lingers on beyond that neighborhood. ([Sampson, Sharkey, and Raudenbush 2008](#)). Living in low income neighborhoods often means being subject to lower-quality services, higher crime rates, more concerns for safety, more crowded, noisy conditions, and more deteriorating housing conditions. For children especially, it can become a struggle to survive, both emotionally and cognitively.

**Chemical dependence and depression have a high prevalence among the multigenerational families living in poverty. Feelings of isolation or lack of support as well as unhappy life experiences can often lead to low protective factors that contributes to drug abuse, risky behaviors, disease, disability and social problems.**

The persistence of neighborhood disadvantages across generations adds considerable complexity to the relationship between neighborhoods and child development. Poor children have less quality in their schooling experience, often relying on the influence of peers for emotional and social support rather than adults.

A parent's daily life can result in the family having less opportunities to develop the child's cognitive abilities, which can even impact their mental health. Often, the parents and children's living environment is disruptive or unstable. Single family households are common, which means that coping with stressed resources results in having less time for relationship building such as parenting or responding cognitively and emotionally to a child's development. Young children who are subject to more negative reinforcers than positive reinforcers are especially vulnerable to low self-esteem and minimal self-development opportunities that can lead to poor adaptive social skills.

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**The Hawai'i Substance Abuse Coalitions stands ready to help make a difference.**

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### **What To Do:**

People suffering with multigenerational poverty can benefit with increased support, specific interventions, including behavioral health counseling, and educational approaches tailored to children and adults in multigenerational poverty. Multigenerational programs that focus on building communities that are rich in support, improve social trust, provide helpful information and establish positive family norms can achieve substantive progress in health goals. Programs that build social supports through participation in community and social networks can help people in poverty to learn how to make positive connections with family, friends and neighbors.

Often, what is needed for people with multiple complex problems and illnesses is to start with comprehensive, integrated health approaches to address chronic health conditions such as with substance use disorder treatment that includes treatment for co-occurring mental health issues. They need the proper tools to help them become part of a unified social network that promotes equal opportunities.

We appreciate the opportunity to provide testimony and are available for questions.



**Testimony to the Senate Committee on Ways and Means  
Wednesday, April 3, 2019; 10:20 a.m.  
State Capitol, Conference Room 211**

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

Chair Dela Cruz, Vice Chair Keith-Agaran, 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.





**HB1417 HD1**  
**RELATING TO HUMAN SERVICES**  
Senate Committee on Ways and Means

April 3, 2019

10:20 a.m.

Room 211

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.<sup>1</sup> 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%).<sup>3</sup> It is common for older wāhine to live in multi-generational homes as they are often caregivers, or are receiving care from their children.<sup>2</sup> Native Hawaiian families are also disproportionately represented among the homeless and “hidden homeless” population<sup>3</sup> and are more likely to live in multi-generational households.<sup>4</sup>

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.

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

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

<sup>3</sup> 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. HAWAI‘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](https://dbedt.hawaii.gov/hhfdc/files/2016/12/State_HHPS2016_Report_111416-FINAL-122216.pdf).

<sup>4</sup> 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.