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February 18, 2019

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

FROM: Pankaj Bhanot, Director

SUBJECT: **SB 529 SB 1 – RELATING TO HUMAN SERVICES**

Hearing: February 19, 2019, 9:30 a.m.
Conference Room 229, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports this bill and appreciates the amendments made by the Committees on Commerce, Consumer Protection, & Health, and Human Services establishing a three-year full-time temporary exempt position for the duration of the pilot plus one year to develop internal capacity, to provide support to the grant successfully obtained, and to develop a sustainability plan to support a robust development program.

DHS requires an appropriation of \$100,000 in general funds to establish the temporary exempt position for 3 years, including other administrative costs associated with grants development and evaluation. DHS considers a salary range of \$80,000 – \$85,000, with additional funds for IT, data analytics, training, travel, and other fees. DHS requests that this appropriation not supplant any fiscal priority identified in the Executive Budget.

PURPOSE: The purpose of the bill authorizes the Department of Humans Services and the Department of Health to contract the services of dedicated capture managers responsible for securing grant and other funding opportunities for each department. Appropriates funds.

DHS actively pursues grant or technical assistance opportunities that support the department's transformation to become an integrated multi-generational human services delivery system. Having a person dedicated to designing, applying, and coordinating applications would be a benefit for the department, the workforce, and ultimately our recipient population.

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

SB-529-SD-1

Submitted on: 2/18/2019 8:16:20 AM

Testimony for WAM on 2/19/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	Testifying for O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

Comments:



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
THIRTIETH LEGISLATURE, 2019**

ON THE FOLLOWING MEASURE:

S.B. NO. 529, S.D. 1, RELATING TO HUMAN SERVICES.

BEFORE THE:

SENATE COMMITTEE ON WAYS AND MEANS

DATE: Tuesday, February 19, 2019 **TIME:** 9:30 a.m.

LOCATION: State Capitol, Room 211

TESTIFIER(S): **WRITTEN TESTIMONY ONLY.**
(For more information, contact James W. Walther,
Deputy Attorney General, at 587-3050)

Chair Dela Cruz and Members of the Committee:

The Department of the Attorney General provides the following comments.

This bill would establish contracted and temporary exempt positions within the Department of Human Services and the Department of Health for the purpose of securing grants and other funding opportunities from public and private sources on behalf of their respective departments.

Article III, section 14, of the Hawaii State Constitution provides in relevant part that "No law shall be passed except by bill. Each law shall embrace but one subject, which shall be expressed in its title." Thus, a bill that addresses subjects outside its single subject title violates article III, section 14, of the Hawaii State Constitution.

Here, the title of the bill properly refers to one subject, human services, and section 2 authorizes the Department of Human Services to establish a three year temporary full-time exempt position and to contract for a grant capture manager, and sections 3 and 4 appropriate funds to the Department of Human Services. The bill goes beyond the single subject in sections 5, 6, and 7, by authorizing the same positions and appropriations for the Department of Health. Because the Legislature has created two separate departments - the Department of Health and the Department of Human Services - and tasked each with distinct roles, the bill may be subject to challenge as violative of article III, section 14, of the Hawaii Constitution.

In order to avoid any potential legal challenges, we suggest that the bill be amended to delete references to the Department of Health in section 1, and delete sections 5, 6, and 7 in their entirety.

We respectfully ask the Committee to make the suggested changes if this bill advances. Thank you for the opportunity to provide these comments.



**Testimony to the Senate Committee on Ways and Means
Tuesday, February 19, 2019; 9:30 a.m.
State Capitol, Conference Room 211**

RE: SUPPORTING SENATE BILL NO. 0529, SENATE 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** Senate Bill No. 0529, Senate Draft 1, RELATING TO HUMAN SERVICES.

The bill, as received by your Committee, would:

- (1) Authorizes the Department of Human Services (DHS) and the Department of Health (DOH) to each contract a grant writer to serve as a capture manager for their respective Departments;
- (2) Require DHS and DOH to report to the 2020 and 2021 Legislatures lists of grant or funding opportunities sought or applied for, grants awarded and funding received, and recommendations and proposed legislation;
- (3) Appropriate an unspecified amount of general funds for fiscal year 2018-2019 to contract the services of a dedicated capture manager for DHS and DOH;
- (4) Provide that the appropriations authorized not lapse and the end of the fiscal biennium but that unencumbered funds shall lapse as of June 30, 2022; and
- (5) Take effect on July 1, 2019, and sunset on June 30, 2022.

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.

Because the majority of our patients are Medicaid recipients, reimbursement for services provided at FQHCs is extremely complex given the multiple streams of funding received from the federal and State governments. The availability of funding is often volatile due to changes in federal and State laws as well as the manner in which these laws are implemented and enforced. In this environment, it is not only prudent but necessary for the State to seek new sources of funding and devise creative ways of capturing and securing resources.

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

From a technical perspective, we note that this bill is substantively similar to a measure that the HPCA supported last year -- Senate Bill No. 2526, RELATING TO HUMAN SERVICES. It should be noted, however, that Senate Bill No. 2526 did not include language that would have established a grant writer position within the DOH.

The HPCA agrees that the establishment of such a position within the DOH services the public good. We therefore fully support the Senate Bill No. 529, as it is presently drafted.

Should concerns be raised as to whether the inclusion of the DOH language goes beyond the scope of the bill's title, RELATING TO HUMAN SERVICES., we urge this Committee to seek guidance from Senate attorneys to ensure that such a measure will pass muster.

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