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STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

P. O. Box 339
Honolulu, Hawaii 96809-0339

April 4, 2022

TO: The Honorable Senator Karl Rhoads, Chair
Senate Committee on Judiciary

The Honorable Senator Donovan M. Dela Cruz, Chair
Senate Committee on Ways & Means

FROM: Cathy Betts, Director

SUBJECT: **HB 1787 HD2 SD1 – RELATING TO PERSONS WITH DISABILITIES.**

HEARING: April 5, 2022, 10:05 a.m.
Conference Room 225 & Videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this measure, offers comments, and proposes amendments. As a state agency, DHS is an equal opportunity agency and supports the employment of individuals with disabilities in competitive, integrated settings.

PURPOSE: The purpose of the bill establishes "Employment First"--defined as the competitive employment and full inclusion of persons with a disability in an integrated setting as a first and preferred option for employment services--as a policy of the State and counties. Requires state and county agencies to implement this policy in hiring practices and all programs and services administered or funded by the State or counties. Requires the Department of Human Services to apply Employment First principles to Medicaid home and community-based services programs. Effective 12/25/2040. (SD1)

The HD1 defected the effective date and made technical amendments. The HD2 amended the measure by,

- (1) Deleting language that required the Department of Human Services to ensure that contracted agency providers that provide services for Medicaid home- and community-based services waiver programs follow Employment First principles; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

The SD1 amended the measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 2875, S.D. 1, Regular Session of 2022;
- (2) Clarifying that the sharing of data and information among state and county agencies pursuant to this measure is voluntary; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

The Committees on Human Services and Labor, Culture and the Arts noted that,

"S.B. No. 2875, S.D. 1, Regular Session of 2022, is a substantially similar measure. Your Committees believe that the language of S.B. No. 2875, S.D. 1, is preferable as it provides a clearer definition of "Employment First", defines "Person with a disability", and provides a more explicit description of the Department of Human Services' responsibilities." STAND. COM. REP. NO. 3429

The bill amends Chapter 78, Hawaii Revised Statutes (HRS), by adding a new section that establishes three new definitions covering "employment first," "integrated setting," and "competitive employment." The measure also mandates that state and county agencies ensure that employment first is effectively implemented in hiring and in all programs and services that they administer or fund, including programs and services that help disabled persons obtain employment.

The Department respectfully proposes to insert additional language, in Section 1, on page 1, line 14, to read as follows,

"§78- **Employment first; persons with disabilities.** (a) Employment first shall be a policy of the State and the counties. State and county agencies shall ensure that employment first is effectively implemented in hiring practices and all programs and services administered or funded by the State and counties, including programs and services that help persons with disabilities obtain

employment. All state and county agencies shall coordinate efforts and collaborate to ensure that programs, policies, procedures, and funding support competitive employment in an integrated setting for persons with disabilities to obtain, retain, or advance in employment. All state and county agencies, when feasible, may share data and information to track progress toward full implementation of this section.

DHS notes that the mandate in Section 2, paragraph (c) will likely require additional time to implement as the Department of Health (DOH) will be the implementing agency. In Hawaii, DOH operates the State's Medicaid 1915(c) Home and Community-Based Services (HCBS) Waiver program for individuals with intellectual and developmental disabilities (I/DD). The departments will need to plan and consult with human resources to effectuate this paragraph (c). Therefore, the Department respectfully requests that Section 2, paragraph (c) become effective June 30, 2023.

DHS supports the intent of the bill to expand employment opportunities for people with disabilities in competitive integrated employment and is willing to work with the Departments of Health, Human Resources Development, Labor and Industrial Relations, the Legislature, and other stakeholders to achieve employment first policies for the State.

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

DAVID Y. IGE
GOVERNOR OF HAWAII

ELIZABETH A. CHAR, M.D.
DIRECTOR OF HEALTH



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**Testimony COMMENTING on HB1787 HD2, SD1
Relating to Persons with Disabilities**

COMMITTEE ON JUDICIARY
SENATOR KARL RHOADS, CHAIR
SENATOR JARRETT KEOHOKALOPE, VICE CHAIR

COMMITTEE ON WAYS AND MEANS
SENATOR DONOVAN M. DELA CRUZ, CHAIR
SENATOR GILBERT S.C. KEITH-AGARAN, VICE CHAIR

Testimony of Caroline Cadirao
Director, Executive Office on Aging
Attached Agency to the Department of Health

Hearing Date: April 5, 2022
10:05 AM

Room Number: 211
Via Videoconference

1 **EOA's Position:** The Executive Office on Aging (EOA), an attached agency to the Department
2 of Health, supports the intent of HB1787 HD2, SD1, Relating to Persons with Disabilities, and
3 provides comments.

4 **Fiscal Implications:** None

5 **Purpose and Justification:** The purpose of this bill is to establish employment first as a state
6 policy with respect to persons with disabilities. It requires state and county agencies to
7 implement this policy in hiring and all programs and services administered and funded by the
8 State or counties and requires the Department of Human Services to apply Employment First
9 principles to Medicaid home and community-based services waiver program personnel.

1 Per the US Department of Labor, the workforce participation rate for individuals with disabilities
2 is about 1/3 that of people without disabilities. The low employment rate for people has been
3 increasingly recognized as a serious societal issue, with over 13 million adults of working age in
4 the United States receiving disability benefits from Social Security. Yet it has been continuously
5 shown that with assistance, accommodations, and encouragement, many more people with
6 disabilities can work successfully in the community. Employment First is based on the
7 framework that provides persons with intellectual/developmental disabilities gainful
8 employment, fair wages and benefits, and the dignity that arises from an integrated and
9 competitive employment. There are many barriers to employment for persons with disabilities,
10 including workplace barriers. The EOA supports efforts for State and county agencies to address
11 these barriers and to creating an inclusive workforce.

12 **Recommendation:** EOA supports the intent of this measure and defers to the Department of
13 Human Services on its implementation.

14 Thank you for the opportunity to testify.

DAVID Y. IGE
GOVERNOR OF HAWAII



ELIZABETH A. CHAR, M.D.
DIRECTOR OF HEALTH

STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
PRINCESS VICTORIA KAMĀMALU BUILDING
1010 RICHARDS STREET, Room 122
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TELEPHONE: (808) 586-8100 FAX: (808) 586-7543
April 05, 2022

The Honorable Senator Karl Rhoads, Chair
Senate Committee on Judiciary
and
The Honorable Senator Donovan M. Dela Cruz, Chair
Senate Committee on Ways and Means
The Thirty-First Legislature
State Capitol
State of Hawai'i
Honolulu, Hawai'i 96813

Dear Senator Rhoads, Senator Dela Cruz, and Committee Members:

SUBJECT: HB1787 HD2 SD1 Relating to Persons with Disabilities

The Hawaii State Council on Developmental Disabilities **STRONGLY SUPPORTS** **HB1787 HD2 SD1** which establishes employment first as a state policy with respect to persons with disabilities.

For the past decade, Hawaii has been at the bottom of the country for employing people with intellectual/developmental disabilities (I/DD). In recent years we have made strides as a state removing barriers to employment for individuals with I/DD by passing bills such as the Kal's Law, an Earned Income Disregard (Act 155, 2019), which allows individuals receiving Medicaid to earn up to a livable wage without losing their Medicaid services. Ending sub-minimum wage (Act 055, 2021) which ended the discriminatory practice of paying individuals with I/DD below our minimum wage laws in the state. Becoming an Employment First State is the next step in supporting individuals with I/DD to fully integrate into our community by encouraging and promoting joining our Hawaii workforce.

Many individuals with I/DD receive Home and Community-Based Services (HCBS) through the Medicaid Waiver program. Since HCBS services began the most utilized Waiver service for day activities is Adult Day Health (ADH) programs. These programs provide daily training and supervision. However, they are center-based programs where individuals with

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disabilities spend their days in a center with other individuals with disabilities. There is minimal transition to employment from these types of programs.

Instilling Employment First as a state policy would foster the expectation that individuals with I/DD can and should work and contribute to their community and the workforce in integrated and competitive employment settings.

Thank you for the opportunity to submit testimony in **strong support of HB1787 HD2 SD1.**

Sincerely,

A handwritten signature in blue ink that reads "Daintry Bartoldus".

Daintry Bartoldus
Executive Administrator



DISABILITY AND COMMUNICATION ACCESS BOARD

1010 Richards Street, Room 118 • Honolulu, Hawaii 96813
Ph. (808) 586-8121 (V) • Fax (808) 586-8129

April 5, 2022

TESTIMONY TO THE SENATE COMMITTEES ON JUDICIARY AND WAYS AND MEANS

House Bill 1787, House Draft 2, Senate Draft 1 – Relating to Persons with Disabilities

The Disability and Communication Access Board (DCAB) supports House Bill 1787, House Draft 2, Senate Draft 1, Relating to Persons with Disabilities. This bill establishes employment first as a state policy with respect to persons with disabilities. It requires state and county agencies to implement this policy in hiring and all programs and services administered or funded by the State or Counties.

Employment first is a framework for systems change that is centered on the premise that all citizens, including persons with intellectual/developmental disabilities, are capable of full participation in integrated employment and community life.

It is encouraging that the Legislature is leading the way to ensure that persons with intellectual/developmental disabilities are participating in a workforce that is integrated and promotes competitive employment settings.

Thank you for the opportunity to provide testimony.

Respectfully submitted,

KIRBY L. SHAW
Executive Director

LATE

HB-1787-SD-1

Submitted on: 4/4/2022 2:39:51 PM

Testimony for JDC on 4/5/2022 10:05:00 AM

Submitted By	Organization	Testifier Position	Testify
jesse floyd	Individual	Support	Written Testimony Only

Comments:

The Employment First task force which consist of representatives from; · DHS/Division of Vocational Rehabilitation · DOH/Child and Adolescent Mental Health Division · DOH/Developmental Disabilities Division · DLIR/Work Force Development Division · UH/Center on Disability Studies · DOH/Adult Mental Health Division - Clubhouse supports the intent of the bill to expand employment opportunities for people with disabilities in competitive integrated employment.