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STATE OF HAWAII
KA MOKU'ĀINA O HAWAI'I
DEPARTMENT OF HUMAN SERVICES
KA 'OIHANA MĀLAMA LAWELAWE KANAKA
Office of the Director
P. O. Box 339
Honolulu, Hawaii 96809-0339

April 4, 2023

TO: The Honorable Senator Donovan Dela Cruz, Chair
Senate Committee on Ways & Means

FROM: Cathy Betts, Director

SUBJECT: [HB 339 HD2 SD1](#) – EXEMPTIONS FROM CIVIL SERVICE FOR POSITIONS IN THE
DEPARTMENT OF HUMAN SERVICES.

Hearing: April 5, 2023, 10:00 a.m.
Conference Room 211 & Via Videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) strongly supports this measure to bring needed professional positions to the Director's Office and Social Services Division. DHS respectfully requests an amendment to effectuate the effective date to be effective upon approval.

PURPOSE: This measure permanently exempts nine positions in the Department of Human Services from civil service. Effective 6/30/2032. (SD1)

DHS appreciates the amendments of the Committee on Human Services that:

- (1) Exempts a second Deputy Director and a private secretary to the second Deputy Director from civil service requirements;
- (2) Changed the effective date to June 30, 3000, to encourage further discussion; and
- (3) Made technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

The Committee on Labor & Government Operations further amended the measure by

- (1) Deleting the private secretary to the second deputy director from the proposed civil service exemption because the position is already exempted by section 76-16(b)(9), Hawaii Revised Statutes; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity, consistency, and style.

The SD1 further amended the measure by defecting the effective date.

DHS provides benefits and services to Hawaii residents who need financial assistance, food assistance, health care coverage, child care subsidies, rental assistance, vocational rehabilitation services, homeless services, and protective services. DHS oversees nearly \$4B in funds, more than 80 offices statewide, and a staff of nearly 2,000 positions. DHS also provides administrative services to attached agencies, including the Hawaii Public Housing Authority, the Office of Youth Services (OYS), which includes the Hawaii Youth Correctional Facility and the Kawaihoa Youth & Family Wellness Center, the State Rehabilitation Council, and the new State Office on Homelessness and Housing Solutions that includes the Hawaii Interagency Council on Homelessness. DHS also administratively supports the following Commissions: the Commission on the Status of Women, the Commission on Fatherhood, the Youth Commission (established within OYS), and the new Lesbian, Gay, Bisexual, Transgender, Queer, Plus Commission.

The Director's office has one Director and one Deputy Director, and the office only has two permanent positions: the Administrative Assistant and the Public Information Officer. Especially in years of significant events that impact low-income residents, such as the COVID-19 pandemic and economic recessions, DHS needs continuity of leadership with the knowledge and experience working with the complexity of the safety net programs.

While much of the State government is transitioning to learning how to live with COVID-19 in a "steady state," in the next year, DHS will pivot again to meet the challenges of the end of federal pandemic programs and program waivers. Known as the "unwinding" of the public health emergency (PHE), the "unwinding" will require significant strategic planning, communications, internal re-training, outreach to the community, and collaboration with partner agencies. In addition, with high vacancy rates, we must maximize our partnerships to minimize the disruptions to residents' access to benefits and services.

If these executive-level positions are not made permanent and exempt, the Director must rely on temporary measures to carry on and collaborate on initiatives and projects, seek out and participate in grant opportunities, and attend to the numerous legislative work groups and other cross-sector innovations or public-private partnerships.

As noted above, the Department has only one Deputy Director. Act 223, Session Laws of Hawaii 1994, deleted the Second Deputy Director position, prompted by the State's poor economy. Since then, major federal legislation such as the Personal Responsibility and Work Opportunity Act of 1996 (welfare reform), the Adoption & Safe Families Act in 1997 (child welfare reform and other federal child welfare changes), the Affordable Care Act in 2010, the Workforce Innovation and Opportunity Act of 2014, the reauthorization of the Child Care & Development Block Grant Act of 2014, the Family First Prevention Services Act of 2018, and the most recent array of federal pandemic legislation has kept the human services field in a near constant state of change.

With these changes, the diversity and magnitude of DHS programs are more complex and evolving, and each is governed by distinct state and federal laws, rules, and regulations. As a result, the required breadth of knowledge and experience necessary for effective leadership and management of all the programs is extensive and challenging to develop and meet the Department's needs. The restoration of the Second Deputy Director will assist the Director's Office in responding effectively to the needs of Hawaii's people and the Department's organizational demands. The Director's Office needs additional executive leadership to oversee the Department's human resources, technology resources, fiscal, procurement, and administrative operations, internal and external communications, support unstaffed and unfunded commissions, lead or attend task forces and workgroups, lead or participate in cross-sector collaboration, and emergency management responsibilities.

The Special Assistant, Community Development Director, Policy Director positions, and the Limited English Proficiency Program Manager position are essential to support the Director in the operations of DHS. For example, these positions lead, facilitate, and collaborate on cross-sector and interdepartmental initiatives such as data sharing, data governance, public outreach and training, grant proposals and grant-funded projects, public-private opportunities, and congressional and State legislative inquiries, and provide comments to federal proposed

legislation. The Director's office staff conducts training on drafting MOU, internal procurement processes, administrative rules, and legislative processes. In addition, all Director's Office staff receives and facilitates response to complaints.

The Director's office also participates in numerous legislative task forces, councils, advisory boards, workgroups, commissions, and initiatives to improve government services, processes, new programs, cross-sector collaborative efforts, grant proposals, grant management, emergency management response, and outreach efforts.

The Director's office staff also drafts and shepherds memoranda of understanding (MOU) to allow and improve interagency collaborations, including data sharing and governance initiatives. These initiatives require knowledgeable staff with decision-making authority or understanding of the DHS decision-making processes.

As part of the response to the pandemic, the Director's office led the Department through a significant pivot to a telework environment that addressed the exponential increase in residents' need for health care coverage, cash assistance, and Supplemental Nutrition Assistance Benefits (SNAP). In addition, the pivot emphasized the health and safety of the human services workforce, our contracted providers, and our client base. For example, the Director's office assisted with executing Pandemic-EBT agreements to ensure children and their families received additional food assistance during school closures, drafted contract agreements to distribute more than \$71M in child care provider grants to stabilize child care, and ensured procurement of PPE for DHS offices statewide and distribution to providers. Director's office staff and other program staff also facilitate and attend to emergency management support functions as part of the State's emergency response efforts.

DHS previously and currently relies upon contracted project-based IT professionals to lead many IT-related projects. However, this strategy is not efficient or sustainable to support the necessary and lengthy project design, procurement, and multi-step approval processes, development, and implementation of new systems while maintaining the existing systems.

The information technology implementation manager is a project manager and provides leadership, coordination, and support to DHS's IT modernization efforts. This position coordinates and collaborates with consultants, contractors, DHS technical and business leads, and project managers of critical projects that include Med-QUEST Division's KOLEA integrated

eligibility and integrated health and human services technical platform, the Benefit, Employment and Support Services Division's Benefit Eligibility Solution (BES), and the Social Services Division's Comprehensive Child Welfare and Adult Services Modernization and Legacy Replacement Project.

The position requires extensive knowledge of procurement, fiscal resources, program management, cross-project management, and coordination involving multiple technologies and functions; project management methodologies and practices; knowledge of information systems principles, methodologies, and assumptions; and principles and practices of supervision, budgeting, planning, and human and organizational behavior. Knowledge of the public sector or human services business domain is preferred.

The assistant information technology implementation manager serves as an assistant project manager who coordinates and supports the DHS IT modernization project. This position assists in developing the overall schedules and work plans, focusing on integrating and coordinating critical projects to maximize efficiencies, ensure synergies, minimize risks, and prevent barriers to any single project and the overall project.

The resource manager provides technical assistance and oversight of the DHS IT resources assigned to the various IT modernization and other IT-related initiatives. In addition, this position works with Department divisions and staff office personnel, consultants, and contractors to implement solutions that allow the integration of multiple platforms, operating systems, and applications across DHS and the State. Notably, the resource manager coordinates federal and State funding for IT projects and identifies the best approach to maximize federal funding from various sources. This position requires a bachelor's or master's degree in computer science, information systems, accounting, finance, or other related fields.

The positions in the Director's office require a high level of professional experience and expertise that do not currently exist within the civil service. Notably, in the past eight years, the Director's office initiatives to modernize DHS systems and processes have improved working conditions for the civil service workforce and were fundamental to pivoting to the pandemic's demands. In addition, program innovation and professional development initiatives have provided a pathway for civil service and exempt staff to gain new skills and apply for leadership positions. The modernization efforts, including the child welfare services IT system, are

ongoing and will create a modern IT environment that will make the civil service work more manageable and less frustrating. Significantly, a concern of federal funders for the child welfare services IT development is whether the State has the requisite staff to oversee the project.

Given the number of new programmatic and novel proposals and additional task forces and workgroups that the Legislature is considering this session, DHS needs these additional positions to become permanent leadership positions.

Lastly, DHS respectfully requests an amendment to effectuate the effective date to be effective upon approval.

Thank you for the opportunity to provide additional comments.



CATHOLIC CHARITIES HAWAII

**TESTIMONY IN SUPPORT OF HB 339 HD2 SD1:
RELATING TO EXEMPTIONS FROM CIVIL SERVICE FOR POSITIONS IN THE
DEPARTMENT OF HUMAN SERVICES**

TO: House Committee on Labor & Government Operations

FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawaii

Hearing: Wednesday, 4/5/2023; 10:00 AM; CR 211 & via videoconference

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

Thank you for the opportunity to provide testimony **in Support of HB 339 HD2 SD1**, which will create much needed permanent exempt positions in the Department of Human Services. DHS provides critical services to the people of Hawaii and needs the staffing infrastructure to meet the needs of the people in a timely and effective manner. I am Rob Van Tassell, with Catholic Charities Hawaii.

Catholic Charities Hawaii (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawaii for 75 years. CCH has programs serving elders, children, families, homeless, and immigrants. Our mission is to provide services and advocacy for the most vulnerable in Hawaii.

The Department of Human Services provides benefits and services to the people of Hawaii, including financial and food assistance, health care coverage, child care subsidies, vocational rehabilitation, homeless services, and protective services. The bill will strengthen the structure of the department's workforce by providing increased leadership and permanency, which ultimately supports and serves the people of Hawaii.

We urge assistance in passing this bill to support the Department of Human Services for the overall health and well-being of the people and community.

Please contact our Director of Advocacy and Community Relations, Shellie Niles at if you have any questions.



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Hawai'i Children's Action Network Speaks! is a nonpartisan 501c4 nonprofit committed to advocating for children and their families. Our core issues are safety, health, and education.

To: Senator Dela Cruz, Chair
Senator Keith-Agaran, Vice Chair
Senate Committee on Ways and Means

Re: HB339 HD2 SD1, relating to exemptions from civil service for positions in the Department of Human Services
10:00 a.m., Apr. 5, 2023

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran and committee members:

On behalf of Hawai'i Children's Action Network (HCAN) Speaks!, mahalo for the opportunity to **testify in SUPPORT of House Bill 339 HD2 SD1, relating to exemptions from civil service for positions in the Department of Human Services.**

The Department of Human Services (DHS) provides essential supports and services for Hawai'i. At any given moment, they are serving **at least 1 in 4 Hawai'i residents and half of Hawai'i's keiki**. Their programs and services also cover the lifespan—from prenatal supports for pregnant people to protecting our eldest kūpuna from abuse and neglect. DHS provides these supports through nearly 2,000 employees across more than 80 offices statewide and with nearly \$4 billion in federal and state funds.

DHS leadership stewards this enormous impact with what seems like a skeleton crew in the Director's Office. Currently, the office only has two permanently established positions to oversee, direct and liaise for an enormous department. All others are temporary or appointed. **Other departments with similar levels of work, budget and staffing operate with a significantly larger director's offices, including multiple deputies and additional positions**, many of which are permanent positions.

The public health emergency is winding down, which means programs and supports that DHS provides will be going through significant transitions. As DHS moves through this transition and into the future, the department—and Hawai'i's residents—deserve to have sustained capacity. Without this, DHS will need to rely on temporary measures, which would lead to significant disruptions for people who need them the most.

HCAN Speaks! has witnessed first-hand **the great work that can be done when DHS has the capacity to lead, innovate and collaborate**. We have seen how the Director's Office's temporary staff included in this bill have led conversations across state departments, including their efforts in building family resource centers across the islands. The Director's Office has also



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been integral in hearing community concerns within the early childhood care and education sector. They have sacrificed limited time to listen and problem-solve, working toward innovations to better support child care workers, families and young children. With even greater and sustained capacity, we believe they can do *even more* Hawai'i's keiki and 'ohana.

Please support HB339 HD2 SD1 and build the capacity that DHS—and Hawai'i's children and families—deserves.

Mahalo,

Ke'ōpū Reelitz
Director of Early Learning and Health Policy



Parents And Children Together

BUILDING THE RELATIONSHIPS
THAT MATTER MOST

ParentsAndChildrenTogether.org

TESTIMONY IN SUPPORT OF HB 339 HD2 SD1

TO: Chair Dela Cruz, Vice-Chair Keith-Agaran, & Members
Senate Committee on Ways and Means
FROM: Ryan Kusumoto, President & CEO
DATE: April 5, 2023 10:00 AM

PACT supports HB 339 HD2 SD1 which will create permanent positions critically needed in the Department of Human Services (DHS). In a time when families, keiki, and individuals need support to survive and thrive, these positions provide the necessary infrastructure for DHS to effectively serve our community and fulfill the responsibilities of government. DHS is a key partner with us in fulfilling our mission.

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 20 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 programs.

COVID-19 highlighted challenging issues in the community. The symptoms of houselessness, untreated mental illness, the many forms of abuse and violence, lack of healthcare access and poverty are persistent issues that our residents face. DHS supports and provides a critical safety net key to the health of Hawaii. Every sector and industry will benefit from this support. With much of the federal support for COVID-19 ending, we need to be proactive and ensure DHS is properly resourced.

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