

LINDA LINGLE
GOVERNOR



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STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
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March 25, 2010

MEMORANDUM

TO: The Honorable Marcus R. Oshiro, Chair
House Committee on Finance

FROM: Lillian B. Koller, Director

SUBJECT: **S. B. 910, S.D. 1, H.D. 2 - RELATING TO THE TRANSFER OF
HOMELESS PROGRAMS WITHIN THE DEPARTMENT OF HUMAN
SERVICES**

Hearing: Thursday, March 25, 2010, 12:30 p.m.
Conference Room 308, State Capitol

PURPOSE: The purpose of this bill is to transfer the functions and duties of the State Homeless programs from the Hawaii Public Housing Authority (HPHA) to the Benefit, Employment, and Support Services Division (BESSD) of the Department of Human Services (DHS) to improve the coordination and delivery of homeless programs and services for clients of DHS.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) strongly supports this Administration-sponsored bill.

In a letter dated November 5, 2009, the United States Department of Housing and Urban Development (HUD) advised that according to Emergency Shelter Grant statutes, a public housing authority, such as the Hawaii Public Housing Authority, is considered a special purpose entity and cannot implement the Emergency Shelter Grants directly. They advised that the State will need to assign its federally assisted Homeless Programs to a State department such as DHS, to DHS' Benefit, Employment

and Support Services Division, and that the State transfer the programs as soon as possible to ensure the State's ability to continue to receive HUD homeless funding.

The Benefit, Employment and Support Services Division is the appropriate Division within DHS to effectively coordinate homeless services since it administers programs relating to employment and job training, child care, and financial assistance. These programs are a necessary accompaniment to the case management services that are a primary function of emergency and transitional shelters for homeless individuals and families.

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

LINDA LINGLE
GOVERNOR



DENISE M. WISE
EXECUTIVE DIRECTOR

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BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

Statement of
Denise M. Wise
Hawaii Public Housing Authority
Before the

HOUSE COMMITTEE ON FINANCE

March 25, 2010 2:00 P.M.
Room 308, Hawaii State Capitol

In consideration of
SB 910, S.D. 1, H.D. 2
**RELATING TO THE TRANSFER OF HOMELESS PROGRAMS WITHIN THE DEPARTMENT
OF HUMAN SERVICES**

The Hawaii Public Housing Authority (HPHA) strongly supports S.B. 910,SD1, HD2, in order to accomplish the transfer of the Homeless Services program from HPHA to the Benefit, Employment, and Support Services Division (BESSD) within the Department of Human Services (DHS).

HPHA supports this bill because locating Homeless Services programs within BESSD would improve the department's coordination and delivery of critical services to Hawaii's homeless population. BESSD offers programs that give homeless individuals the tools to attain self-sufficiency, such as employment and job training, child care, and general assistance. Locating the services in the same organizational structure would also enhance the ability of the programs to avoid duplication of effort and inefficient allocation of resources, especially important in these difficult fiscal times.

In addition, the U. S. Department of Housing and Urban Development (HUD) has notified the Governor that under a reinterpretation of federal statutes, HPHA, as a special purpose entity, cannot implement the federal Emergency Shelter Grant Program on behalf of the State, and that the Homeless Services program should be transferred to BESSD as soon as possible to ensure continued eligibility for federal homeless funding. HUD also expressed concern that HPHA may be unable to adequately manage the Homeless Services program grants with the reduced staffing level necessitated by general funds cuts; no other HPHA staff are able to assist with Homeless Services due to their restricted funding sources. BESSD would have staff to assist who are not under that restriction.

At its September 17, 2009 meeting the HPHA Board of Directors unanimously approved the recommendation of HPHA staff to support SB 910 in the 2010 legislative session. The safety net of the Homeless Services programs and BESSD helps the neediest of Hawaii's citizens. It is crucial to their success that services be coordinated to the maximum extent possible, and SB 910, SD 1, HD2 would be a great help in this effort.

LINDA LINGLE
GOVERNOR



RUSS K. SAITO
Comptroller

SANDRA L. YAHIRO
Deputy Director

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING
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P.O. BOX 119
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TESTIMONY
OF
RUSS K. SAITO, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
HOUSE COMMITTEE
ON
FINANCE

March 25, 2010

S.B. 910, S.D. 1, H.D. 2

RELATING TO THE TRANSFER OF HOMELESS PROGRAMS WITHIN THE
DEPARTMENT OF HUMAN SERVICES

Chair Oshiro and members of the Committee, thank you for the opportunity to testify on S.B. 910, S.D. 1, H.D. 2.

The Department of Accounting and General Services (DAGS) supports this bill, which proposes to transfer the functions and duties of the Homeless Programs Branch of the Hawaii Public Housing Authority to the Benefit, Employment, and Support Services Division within the Department of Human Services. Based on DAGS' experience working with the Homeless Programs Branch in providing emergency and transitional housing for homeless residents of our state, DAGS believes that this transfer will enable the Hawai'i Public Housing Authority to focus more intently on its mission while increasing the effectiveness and efficiency of the Homeless Programs Branch by the synergy that exists between the case management and shelter services it provides and the and the job training, child care, and general assistance the Benefit,

Employment, and Support Services Division of the Department of Human Services, provides to the homeless.

Thank you for the opportunity to testify on this matter.



CATHOLIC CHARITIES HAWAII

TESTIMONY IN SUPPORT OF SB 910, SD1, HD2: RELATING TO THE TRANSFER OF HOMELESS PROGRAMS WITHIN THE DEPARTMENT OF HUMAN SERVICES

TO: **Representative Marcus R. Oshiro, Chair**, Representative Marilyn B. Lee, Vice Chair, and Members, Committee on Finance

FROM: Betty Lou Larson, Housing Programs Director, Catholic Charities Hawai'i

HEARING: **Thursday, March 25, 2010; 12:30 pm; CR 308**

Chair Oshiro, Vice Chair Lee, and members of the Committee on Finance:

Thank you for this opportunity to provide testimony in support of SB 910, which would transfer the Homeless Programs from the Hawaii Public Housing Authority (HPHA) to the Benefit, Employment, and Support Services Division (BESSD) within the Department of Human Services. I am Betty Lou Larson, the Housing Programs Director at Catholic Charities Hawai'i. We are members of Partners in Care, which also strongly supports this bill. Catholic Charities Hawaii operates two transitional housing programs for homeless families under the Homeless Programs Branch—Ma'ili Land in Waianae, and Kawaihae on the Big Island.

We urge your support to transfer the Homeless Programs to BESSD as this division has the infrastructure to provide more streamlining and efficiency in procurement and contracting. BESSD is an appropriate fit for the homeless programs since they deal with similar funding sources and similar clients.

We also urge that on page 7, Program administration, be amended to read: "The selection of provider agencies to administer homeless facilities or any other program for the homeless authorized by this part shall not be subject to chapters 42F, 102, and 103, **and 103F.**" This would reinstate the procurement exemption that has been in place since the inception of the Homeless Assistance Act, more than 14 years ago. The program needs flexibility to provide quick responses to emergency situations, such as when Hale Kipa lost national funding and immediate State funds were needed to fill a gap to continue services to homeless youth. It further would allow the program to solicit a service provider when time is of the essence. For example, the only emergency shelter on the Big Island was in financial trouble and could not provide the tax clearances and documents needed to renew their contract with the State. Faced with closure of the shelter (if it was not funded), the program was able to work with the Big Island CoC and the County of Hawaii to identify another non-profit who could step in and take over the management of this County owned shelter. This enabled the shelter to remain open and provide uninterrupted services to the homeless residents.

We urge you to support SB 910 and the suggested amendment, in order to enhance services and efficiency within homeless programs.





PARTNERS IN CARE
Oahu's Coalition of Homeless Providers

TESTIMONY IN SUPPORT OF SB 910, SD1, HD2: RELATING TO THE TRANSFER OF HOMELESS PROGRAMS WITHIN THE DEPARTMENT OF HUMAN SERVICES

TO: **Representative Marcus R. Oshiro, Chair, Representative Marilyn B. Lee, Vice Chair, and Members, Committee on Finance**

FROM: Pamela Menter, Chair of Partners in Care Hawaii

HEARING: **Thursday, March 25, 2010; 12:30 pm; CR 308**

Chair Oshiro, Vice Chair Lee, and members of the Committee on Finance:

Thank you for this opportunity to provide testimony in support of SB 910, which would transfer the Homeless Programs from the Hawaii Public Housing Authority (HPHA) to the Benefit, Employment, and Support Services Division (BESSD) within the Department of Human Services. I am Pamela Menter, Chair of Partners in Care, Oahu's coalition of homeless service providers and other stakeholders. Partners in Care strongly supports this bill.

We urge your support to transfer the Homeless Programs to BESSD as this division has the infrastructure to provide more streamlining and efficiency in procurement and contracting. The Homeless Programs Branch has recently lost a majority of its staff due to cutbacks, and would benefit from BESSD staff's knowledge from dealing with similar funding sources and clients. BESSD is an appropriate fit for the Homeless Programs.

We also urge that on page 7, Program administration, be amended to read: "The selection of provider agencies to administer homeless facilities or any other program for the homeless authorized by this part shall not be subject to chapters 42F, 102, and 103, **and 103F.**" This would reinstate the procurement exemption that has been in place since the inception of the Homeless Assistance Act, more than 14 years ago.

The exemption enables the Homeless Programs Branch to quickly respond to emergency situations such as when a provider agency is unable to continue services (i.e. from funding losses) and must be quickly replaced in order to continue shelter operations and preclude families losing their shelter and services.

The program needs flexibility to provide quick responses to emergency situations, for example when Hale Kipa lost national funding and immediate State funds were needed to fill a gap to continue services to homeless youth. It further would allow the program to solicit a service provider when time is of the essence. Another example: the only emergency shelter on the Big Island was in financial trouble and could not provide the tax clearances and documents needed to renew their contract with the State. Faced with closure of the shelter (if it was not funded), the program was able to work with the Big Island CoC and the County of Hawaii to identify another non-profit who could step in and take over the management of this County-owned shelter. This enabled the shelter to remain open and provide uninterrupted services to the homeless residents.

Also, Housing and Urban Development has indicated that there are issues relating to federal Community Planning and Development funding that are inconsistent with a single purpose entity that constitutes a public housing authority.

We urge you to support SB 910 and the suggested amendment, in order to enhance services and efficiency within homeless programs, and to comply with federal regulations.



Via web@ www.capitol.hawaii.gov/emailtestimony
Hearing on: March 25, 2010 @ 12:30 p.m. (Agenda #3)
Conference Room 308
2 Copies Needed

DATE: March 23, 2010

TO: House Committee on Finance
Representative Marcus Oshiro, Chair
Representative Marilyn Lee, Vice Chair

FROM: Dennis Arakaki, Executive Director

RE: Support for SB 910 SD1 HD2 Relating to the transfer of homeless programs within the Department of Human Services

Honorable Chair Representative Marcus Oshiro, Vice Chair Marilyn Lee and members of the House Committee on Finance, I am Dennis Arakaki, **representing both the Hawaii Family Forum and the Hawaii Catholic Conference.**

Hawaii Family Forum is a non-profit, pro-family education organization committed to preserving and strengthening families in Hawaii, representing a network of over 250 Christian churches. The Hawaii Catholic Conference is the public policy voice for the Roman Catholic Church in Hawaii, which under the leadership of Bishop Larry Silva, represents over 220,000 Catholics in Hawaii. Thank you for this opportunity to provide written testimony in support of SB 910, which would transfer the Homeless Programs from the Hawaii Public Housing Authority (HPHA) to the Benefit, Employment, and Support Services Division within the Department of Human Services.

As a former chair of the Housing committee when it was once part of the Human Services Committee and the Hawaiian Affairs Committee, I have seen and have been party to the Homeless programs moving from different jurisdictions. It seems ironic and almost tragic that the Homeless Program always seemed to be without a home. Where they were placed it seems, was dependent and an indication of their priority status within the department of human services and even within the Public Housing Authority and HFDC.

We support the proposed move of the Homeless Programs from HPHA to the Benefit, Employment, and Support Services Division (BESS) of DHS. This transfer would provide more streamlining and efficiency in procurement and contracting. We feel that placing Homeless Programs directly under BESS would be the best fit since BESS already has the infrastructure to support more efficient and timely contracting and will be able to provide other support as needed. Furthermore, BESS is an appropriate fit for the homeless programs since they deal with similar funding sources and clients. The transfer would further improve the ability of DHS to coordinate services and avoid duplication.

Wherever it is housed, it will be important that they be given a greater priority within the Department of Human Services, something that cannot be legislated but certainly emphasizes as the intent of SB 910. We urge you to support SB 910 which would provide the most appropriate transfer for the Homeless Programs to make the most effective use of funding, ensure that their services can be enhanced, and improve program outcomes.

Thank you for the opportunity to testify on this measure.