

# **SB 91**

Measure Title: RELATING TO HOUSING.

Report Title: Housing; Homeless; State Rent Supplement Program; Appropriation (\$)

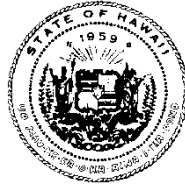
Description: Appropriates funds for the state rent supplement program, for homeless working individuals or families who are ready to rent permanent housing in order to obtain and maintain permanent housing.

Companion:

Package: Housing and Homeless

Current Referral: HMS, WAM

Introducer(s): CHUN OAKLAND, DELA CRUZ, GALUTERIA, RUDERMAN, SHIMABUKURO, Nishihara, L. Thielen



**STATE OF HAWAII**  
DEPARTMENT OF HUMAN SERVICES  
HAWAII PUBLIC HOUSING AUTHORITY  
1002 NORTH SCHOOL STREET  
Honolulu, Hawaii 96817

BARBARA E. ARASHIRO  
EXECUTIVE ASSISTANT

Statement of  
**Hakim Ouansafi**  
Hawaii Public Housing Authority  
Before the

**SENATE COMMITTEE ON HUMAN SERVICES**

January 26, 2013 1:15 P.M.  
Room 229, Hawaii State Capitol

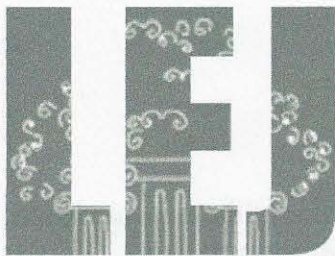
In consideration of  
**Senate Bill 91**  
**Relating to Housing**

Honorable Chair and Members of the Senate Committee on Human Services, thank you for the opportunity to provide you with comments regarding Senate Bill (S.B.) 91, relating to housing.

This measure appropriates \$1.5 million for each fiscal year of fiscal biennium 2013-2015 for a state rent supplement program to assist homeless working individuals or families who are ready to rent permanent housing in order to obtain and maintain permanent housing. The Hawaii Public Housing Authority (HPHA) supports this bill with amendments. The HPHA's existing rent supplement program extends not only of homeless families, but also working families who are currently housed but at risk of becoming homeless due to the high rental costs typical of our state. Therefore, the HPHA requests that the Committee amend this measure as follows:

- By removing from the program eligibility the limitation to homeless families, to allow the HPHA to serve more families and to reduce the potential of participating families losing their housing;
- Raising the maximum of \$300 per month to allow the HPHA to provide the subsidy to participating families based on their needs; and
- Increasing the amount of funding for this program, provided that its passage does not adversely impact priorities indicated in the Executive Biennium Budget.

The HPHA appreciates the opportunity to provide the Senate Committee on Human Services with the agency's position regarding S.B. 91. We respectfully request the Committee to pass this measure favorably with the above amendments, and we thank you very much for your dedicated support.

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January 23, 2013

Date: January 23, 2013

To: Senator Suzanne Chun Oakland, Senate Chair, Committee on Human Services

From: Jenny Lee, Staff Attorney

Hawai'i Appleseed Center for Law and Economic Justice

Re: Testimony in favor of SB 91

Scheduled for a hearing on January 26, 2013

Dear Chair Chun Oakland and committee members;

Thank you for an opportunity to testify in strong favor of SB 91, which would appropriate funds for the state rent supplement program. This program helps working homeless individuals or families who are ready to rent to obtain and maintain permanent housing.

My name is Jenny Lee and I am a staff attorney at the Hawaii Appleseed Center for Law and Economic Justice (formerly Lawyers for Equal Justice). Hawai'i Appleseed Center for Law and Economic Justice (LEJ) is a nonprofit, 501(c)(3) law firm created to advocate on behalf of low income individuals and families in Hawai'i on civil legal issues of statewide importance. Our core mission is to help our clients gain access to the resources, services, and fair treatment that they need to realize their opportunities for self-achievement and economic security.

One of the root causes of homelessness is the simple fact that many families and individuals end up as long-term residents of shelters because they are unable to afford market rents. According to the Low Income Housing Coalition, the fair market rent for a two-bedroom apartment in our state is \$1,647, a figure that would require a full-time worker to earn an hourly wage of \$31.68. Yet the state minimum wage is just \$7.25. A shallow rent subsidy is critical to addressing this shortfall. More than seventy-five percent of people living in poverty are severely overburdened by housing costs, ultimately paying more than half of their income in rent. For those experiencing homelessness, this burden is astronomical when coupled with the extremely high cost of living in Hawai'i. Meanwhile, low-income individuals have almost nowhere to turn: the waitlist for public housing numbers over nine thousand, with applicants waiting at least two to five years for a unit.

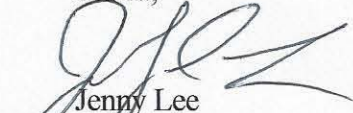
A rent supplement is an appropriate solution for individuals and families who are fully capable of renting, but for their low income relative to the high cost of housing. Almost thirty percent of individuals receiving shelter services are employed full or part-time according to the 2012 Homeless Service Utilization Report. Recipients of the rent supplement will be educated in financial literacy and other life skills, or participating in on-the-job training programs that would assure they could successfully pay a minimum of forty percent of their income for rent.

In its position as an advocate for people experiencing homelessness, LEJ has researched affordable housing and how they can be used to address the homelessness crisis here in Hawai'i. The fundamental solution to this crisis

is the creation of more affordable housing, but currently, we are developing just a fraction of the units needed to house low-income individuals. As we progress in the expansion of our affordable housing stock, rent supplements are a key measure to ensure that families who are ready to rent can immediately begin the transition out of homelessness and create a better future. Safe, secure, and stable housing is the fundamental solution to ending homelessness, and for many people experiencing homelessness, a shallow rent subsidy provides serious assistance in obtaining the housing they desperately need.

Again, thank you for providing us with an opportunity to testify in support of SB 91.

Aloha,



Jenny Lee  
Staff Attorney



## CATHOLIC CHARITIES HAWAII

### TESTIMONY IN SUPPORT OF SB 91: RELATING TO HOUSING

TO: Senator Suzanne Chun Oakland, Chair; Committee on Human Services;  
Senator Josh Green, M.D., Vice Chair, and  
Members, Committee on Human Services

FROM: Betty Lou Larson, Legislative Liaison, Catholic Charities Hawaii

**Hearing: Saturday, 1/26/13; 1:15 pm; CR 229**

Chair Chun Oakland, Vice Chair Green, and Members, Committee on Human Services:

Thank you for the opportunity to testify on SB 91, which appropriates funds for the state rent supplement program, for homeless working families or individuals who are ready to rent permanent housing in order to obtain and maintain permanent housing. I am Betty Lou Larson, Legislative Liaison for Catholic Charities Hawaii. Catholic Charities Hawaii strongly supports this bill. We are also a member of Partners in Care, Oahu's coalition of homeless providers, which also supports this bill.

This bill is important in order to create new pathways out of homelessness, especially for working people. Working families and individuals have income to pay rent but it is not sufficient to pay the full market rent. For many homeless people, waiting for public housing seems to be the only option, since it would provide a very low cost rent, only 30% of their income. However, waitlists for this housing are very long. With a little help from a shallow subsidy, working families may be able to more quickly move out of homelessness.

In transitional shelters, homeless families and individuals work hard to change their lives, practice good budgeting, get a job and are ready to pay rent—but they still cannot afford market rents. They participate in job preparation and training at their shelter and/or in community workforce development programs. These programs boost their ability to hold a job and pay rent. A shallow rental subsidy of no more than \$300, after the family pays 40% of their income for rent, would enable these working people to more rapidly move into permanent housing.

We urge your support for funding of **\$1.5 Million for shallow rent subsidies** to provide a new and critical option to more rapidly move working families into permanent housing. This shallow rent subsidy (maximum of \$300/month) would enable 400-500 working homeless families or individuals to move onto permanent housing.

We urge your support for SB 91 to enhance multiple strategies to end homelessness in our State.



## TESTIMONY IN SUPPORT OF SB 91: RELATING TO HOUSING

TO: Senator Suzanne Chun Oakland, Chair; Committee on Human Services;  
Senator Josh Green, M.D., Vice Chair, and  
Members, Committee on Human Services

FROM: Connie Mitchell, Executive Director, IHS, The Institute for Human Services,  
Inc.

**Hearing: Saturday, 1/26/13; 1:15 pm; CR 229**

Chair Chun Oakland, Vice Chair Green, and Members, Committee on Human Services:

Thank you for the opportunity to testify in support of SB 91 which appropriates funds for the state rent supplement program for homeless working families or individuals who lack sufficient income to afford a decent rental. I am Connie Mitchell, Executive Director for IHS, The Institute for Human Service. IHS strongly supports SB 91 as a member of Partners in Care, Oahu's coalition of homeless providers, which also supports this bill.

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A shallow subsidy for some individuals and families can make the difference between whether they remain homeless or whether they are able to enjoy the health benefits of having a safe and hygienic place to live. Housing is healthcare, particularly for working persons. Keeping people healthy, in turn, keeps people working. This strategy also incentivizes people to remain working and to not rely on public housing or a Section 8 vouchers as their only solution to affordable housing.

Furthermore, it is a solution that is a lot less expensive than continuing to expand other housing programs that provides deeper subsidy and expect less self-responsibility for housing expenses (covering all but 30% of income) and does not incentivize people to work and earn more. This shallow subsidy program can help to house more families at lower cost than public housing or Section 9 programs. They also help people participate in the prevailing market for rents and gets them closer to paying market rents and possible home ownership.

We urge your support for funding **\$1.5 Million in shallow rent subsidies to provide a quicker move for working families into permanent housing.** This shallow rent subsidy (maximum of \$300/month) would enable 400-500 working homeless families or individuals to move onto permanent housing. This is critical while the state expands its inventory of affordable rental to meet the dire shortage that exists.

Thank you for the opportunity to share our perspective.



PROTECTING HAWAII'S OHANA, CHILDREN, UNDER SERVED, ELDERLY AND DISABLED

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January 23, 2013

TO: Senator Suzanne Chun Oakland, Chair  
Senator Josh Green, M.D., Vice Chair  
Members, Committee on Human Services

FROM: Laura Kay Rand, Interim Executive Director, PHOCUSED

HEARING: Committee on Human Services  
January 26, 2013 at 1:15 p.m.

Testimony in Support of SB91, Relating to Housing

Thank you for the opportunity to provide testimony in support of SB91, which appropriates funding for the state rent supplement programs for homeless working individuals or families who are ready to rent permanent housing to obtain and maintain permanent housing. PHOCUSED is a coalition of health, housing, human services agencies and individual advocates voicing the needs of the marginalized and underserved in Hawaii.

As a community, we must support our citizens in their efforts to gain permanent housing. Participating in workforce development programs or other programs that provide critical life skills supports, these working families and individuals are demonstrating an ability and willingness to pay rent and a readiness for permanent housing. After a working individual or family provides a minimum of 40% of their adjusted income for rent, SB91 provides a maximum rent supplement of \$300/month. With the assistance SB91's rent supplement will provide, these working people will be able to rapidly move into permanent housing.

I urge your support of SB91.

We appreciate the opportunity to testify in support of this measure.

Sincerely,  
Laura Kay Rand  
Interim Executive Director