

STAND. COM. REP. NO. 2732

Honolulu, Hawaii

MAR 04 2016

RE: S.B. No. 2559
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2559 entitled:

"A BILL FOR AN ACT RELATING TO HOMELESSNESS,"

begs leave to report as follows:

The purpose and intent of this measure is to address homelessness by increasing the availability of cost-effective shelter space.

More specifically, this measure:

- (1) Provides that emergency shelters shall comply with certain minimum requirements that meet basic needs and preferences of homeless families and individuals;
- (2) Prohibits an emergency shelter from establishing or enforcing a maximum period of stay of homeless families or individuals in the shelter;
- (3) Requires homeless shelter stipend payments to be made based on performance measures that are actually achieved;
- (4) Repeals the automatic annual adjustment of the homeless stipend amount;
- (5) Revises existing provisions on the establishment and collection of shelter and service payments by a provider agency from homeless families and individuals; and



- (6) Requires each provider agency to submit a financial audit to the Department of Human Services at least annually.

For purposes of a public hearing, your Committee circulated a proposed Senate Draft 1 (Proposed Draft) of the measure, and notified the public that your Committee would be accepting testimony on the Proposed Draft, which also addresses homelessness.

More specifically, the Proposed Draft amended S.B. No. 2559 by:

- (1) Deleting the provisions that prohibited an emergency shelter from establishing or enforcing a maximum period of stay of homeless families or individuals in the shelter;
- (2) Changing the appropriation amount for two permanent full-time equivalent program specialist IV positions from an unspecified sum to \$117,471;
- (3) Adding a section that appropriates \$5,000,000 in general funds for the establishment or improvement of emergency and transitional shelters for the homeless and funding of other non-recurring costs for projects or programs to assist homeless families and individuals;
- (4) Requiring the Department of Human Services to submit reports to the Legislature and the Governor on the expenditures from the \$5,000,000 appropriation; and
- (5) Making technical, nonsubstantive changes for the purposes of clarity, consistency, and style.

Your Committee received testimony on the Proposed Draft from the Governor's Coordinator on Homelessness, Department of Budget and Finance, Department of the Attorney General, Department of Human Services, and one individual.

Your Committee finds that homeless families and individuals should be able to access shelter services and facilities that aid the transition to permanent housing. Your Committee recognizes that resources for the establishment and improvement of emergency



and transitional shelters is needed in communities across the State.

Your Committee further finds that management of shelter contracts must be done with fidelity and geared to ensure successful outcomes for homeless individuals and families based on financial transparency and performance measures.

Your Committee has amended this measure by adopting the Proposed Draft with the following amendments:

- (1) Changing the definition of "emergency shelter" to clarify that it means a homeless facility designed to provide shelter and services "for a specified period of time;"
- (2) Replacing the bill number reference regarding the general fund appropriation of \$5,000,000 being contingent upon the reduction of an appropriation to the emergency and budget reserve fund from S.B. No. 2558 to S.B. No. 2844;
- (3) Changing the lapse date of the general fund appropriation of \$5,000,000 for the establishment or improvement of emergency and transitional shelters from June 30, 2020, to June 30, 2018;
- (4) Requiring the Department of Human Services to submit a final report, no later than September 30, 2018, rather than no later than September 30, 2017, and requiring the inclusion of the projects, programs, expenditures, and encumbrances that are or have been made as of June 30, 2018, rather than June 30, 2017;
- (5) Correcting the text of the definition of "homeless shelter stipend" and section 346-374, Hawaii Revised Statutes, to comport with the printed version of the Hawaii Revised Statutes; and
- (6) Making technical, nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B.



No. 2559, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2559, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



JILL N. TOKUDA, Chair



