



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

March 31, 2016

TO: The Honorable Representative Sylvia Luke, Chair
House Committee on Finance

FROM: Rachael Wong, DrPH, Director

SUBJECT: **SB 2559 SD1 HD1 – RELATING TO HOMELESSNESS**

Hearing: Friday, April 1, 2016, 3:00 p.m.
Conference Room 308, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this proposed bill and offers comments and additional information about the possible implications of the proposed changes to the existing system of care.

PURPOSE: The purpose of this measure is to establish minimum requirements for emergency shelters, and require homeless shelter stipends to be paid for achievement of performance measures; repeal automatic annual adjustments of stipend amounts, and revises existing provision on the establishment and collection of shelter service payments from homeless individuals and families; require homeless service providers to submit annual financial audits to the state; establish 2.0 FTE to assist in the implementation of the shelter program; and appropriate general funds for homeless shelters and other non-recurring costs contingent upon the reduction of an appropriation to the emergency and budget reserve fund in fiscal year 2014-15.

DHS is aware that our existing homeless shelter inventory must be better utilized. Current contracts with providers are based on a set contract amount in order to ensure that shelter spaces are available when needed. Changes to payment formulas based on achievement of performance measures (versus set or guaranteed payments) can be

implemented via contract, and DHS is exploring mechanisms to operationalize these changes. It should be noted that due to budget constraints, the Homeless Programs Office has not increased shelter stipends on an annual basis since approximately 2010.

One possible unintended consequence of basing shelter stipends solely on performance measures and outcomes is that shelters may feel the need to "cherry pick" clients to increase the odds of achieving positive permanent housing discharges (for example). This would be detrimental to the homeless individuals and families whose needs are more complex and challenging. Individuals with more complex needs may be overlooked for service in favor of clients with fewer or less complicated needs.

The collection of shelter fees or payments by clients is a substantial form of operational income for provider agencies. DHS does its best to ensure that fees remain reasonable and fair. The Department has no objection to re-examining the issue of shelter fees paid by clients.

DHS and our State's two Continua of Care (Partners in Care on Oahu and Bridging the Gap for the neighbor islands) have been working diligently to create a Coordinated Entry System that is capable of addressing the needs of homeless individuals and families that might range from permanent supportive housing (Housing First level of care), to Rapid Rehousing, and mainstream benefits. Collectively, our shelter inventory has been added to our Coordinated Entry resources, and we expect that the integration will be complete within the next year. This means that our coordinated system will be better able to help clients that need Housing First level of care to be admitted to permanent supportive housing.

Those that need shelter services (for example while awaiting Rapid Rehousing assistance) will be matched with an appropriate shelter placement, all with the long term goal of achieving permanent housing. Those individuals and families that require only mainstream resources will be assisted through improved employment or other eligible benefit programs. It is anticipated that the Coordinated Entry System will mitigate some of the potential "cherry picking" as noted above, and will promote the more efficient use of existing shelter inventory.

Additionally, the Governor had requested \$3 million for the Housing First program, \$2 million for additional homeless outreach efforts, and \$2 million for a Rapid Re-Housing Program. However, these amounts were deleted from HB1700 HD1. The Department asks

for the Legislature's support of the Executive Budget as requested funding for necessary programs will assist in achieving the objectives detailed in this proposed bill.

Additional outreach resources will engage more unsheltered homeless individuals and families. Rapid rehousing funds will help those who are in shelters move more quickly and efficiently from shelter to permanent housing, thereby creating "flow" to allow others to benefit from shelter services.

The continuation of the Housing First program will ensure that those clients who need more long term help (housing and supportive services) than is provided in shelter, are housed as quickly as possible. The Executive budget also includes a request for 2.0 FTE for the Homeless Programs Office, and the Department asks that the Legislature support the Executive Budget request.

Regarding Section II, the Department notes that minimum requirements for emergency shelters as detailed in the proposed bill may be challenging to achieve. DHS appreciates the Legislature authorizing DHS to use discretion in establishing standards for emergency shelters.

Also included in the Executive Budget, but not funded in HB1700 HD1, was the request for \$250,000 for improvements of the HMIS. Investing in the data collection system used by the providers of the Continuum of Care (CoC) will improve the ability to evaluate performance and better measure impacts of our communities' efforts to address homelessness. While the Department prefers the item be included in the Executive Budget, we asked that appropriation be included in the legislature's overall strategy to address and fund homeless efforts.

Thank you for the opportunity to testify on this bill.

HAWAII YOUTH SERVICES NETWORK

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Rick Collins, President

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Director

Big Brothers Big Sisters of
Hawaii

Bobby Benson Center

Central Oahu Youth Services
Association

Child aCnd Family Service

Coalition for a Drug Free Hawaii

Domestic Violence Action Center
EPIC, Inc.

Family Programs Hawaii

Family Support Hawaii

Hale Kipa, Inc.

Hale 'Opio Kauai, Inc.

Hawaii Student Television

Hui Malama Learning Center

Kokua Kalihi Valley

Life Foundation

Marimed Foundation

Maui Youth and Family Services

P.A.R.E.N.T.S., Inc.

Parents and Children Together
(PACT)

Planned Parenthood of the
Great Northwest and

Hawaiian Islands

Salvation Army Family

Intervention Services

Sex Abuse Treatment Center

Susannah Wesley Community
Center

The Catalyst Group

Uhane Pohaku Na Moku

O Hawai'i

Waikiki Health

March 30, 2016

To: Representative Sylvia Luke, Chair,
And members of the Committee on Finance

COMMENTS ON SB 2559 SD 1 HD 2 RELATING TO HOMELESSNESS

Hawaii Youth Services Network (HYSN), a statewide coalition of youth-serving organizations, is providing comments on SB 2559 SD 1 HD 2 Relating to Homelessness.

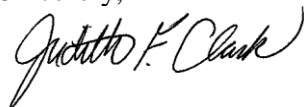
HYSN agrees with the recommendation by State Homelessness Coordinator, Scott Morishige to allocate \$250,000 for training, technical support, and data analysis for the Homeless Management Information System (HMIS).

HYSN receives federal funding through the Runaway and Homeless Youth Program for shelter and transitional living services for runaway and homeless youth. The data system for the runaway youth programs has recently merged with HMIS. We have experienced many challenges, some of which are not yet resolved. For example, when transmitting our data to the federal government, the system uploaded all of the data in the Hawaii HMIS system, instead on just the runaway youth information. There are insufficient funds at this point to provide the level of training and technical support for users, especially on neighbor islands, and there are software glitches to be fixed.

The system has to potential to generate a range of data that would help us understand the needs, identify effective interventions, and assess the adequacy of resources for different segments of the homeless population, if properly funded.

Thank you for this opportunity to testify.

Sincerely,



Judith F. Clark, MPH
Executive Director

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, March 30, 2016 5:23 PM
To: FINTestimony
Cc: mendezj@hawaii.edu
Subject: *Submitted testimony for SB2559 on Apr 1, 2016 15:00PM*

SB2559

Submitted on: 3/30/2016

Testimony for FIN on Apr 1, 2016 15:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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LATE

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

April 1, 2016

TO: The Honorable Sylvia J. Luke, Chair
House Committee on Finance

FROM: Scott Morishige, MSW, Governor's Coordinator on Homelessness

SUBJECT: SB 2559 SD1– RELATING TO HOMELESSNESS

Hearing: Friday, April 1, 2016, 3:00 p.m.
Conference Room 308, State Capitol

POSITION: The Governor's Coordinator on Homelessness supports this measure, as it addresses key components of the State's strategy to address homelessness.

The Coordinator notes that the overall strategy focuses on best practice approaches that are appropriate to meet a homeless person's level of need and moves households into permanent housing as quickly as possible. The strategy also includes use of the Homeless Management Information System (HMIS), which is used to collect client-level data and data on the provision of housing and services to homeless individuals and families. Better data collection will lead to overall system improvement with the ability to analyze performance measures, use of resources, provider accountability, and program implementation with fidelity.

While the Legislature has included proposed funding for other key components of the State strategy (e.g. Housing First, Rapid Re-Housing, and homeless outreach) in various measures, the Coordinator notes there is no current vehicle to include funding for data analysis. The administration included a request for \$250,000 in the Executive Budget for HMIS training and data analysis, but this item was not funded in HB 1700 HD1. The HMIS is a requirement to receive federal funds, and the lack of adequate training for HMIS may place federal funding at risk. The Coordinator respectfully requests clarification that the one-time appropriation provided in Section 9 of this bill may be used for investment in the HMIS, as well as for other

necessary training, maintenance or upgrades for State shelter facilities that will result in cost-savings and greater efficiencies.

PURPOSE: The purpose of the measure is to establish minimum requirements for emergency shelters, require homeless shelter stipends to be paid for achievement of performance measures, repeal the automatic annual adjustment of homeless shelter stipend amounts, revise existing provisions on the establishment and collection of shelter and service payments from homeless families and individuals, requires homeless service provider agencies to submit a financial audit to DHS at least annually, and establish 2.0 FTE positions to assist in the implementation of the homeless shelter program. The bill would also appropriate general funds for homeless shelters and other non-recurring costs, contingent upon the reduction of an appropriation to the emergency and budget reserve fund in fiscal year 2014-2015.

The Coordinator notes that the 2015 Point in Time (PIT) count estimated that there are 7,620 homeless individuals statewide on any given night, including an estimated 3,777 (49.5%) who are sheltered. However, according to the 2015 Housing Inventory Count (HIC) issued by the U.S. Department of Housing & Urban Development (HUD), there are a total of 4,363 shelter beds statewide. Based upon 2015 PIT and HIC estimates, there may be as many as 586 shelter beds that are empty on a given night, despite the fact that the number of unsheltered homeless individuals statewide has increased by 23% between 2014 and 2015.

According to feedback from homeless service providers and individuals experiencing homelessness, the lack of privacy and lack of amenities (i.e. showers or lockers, etc.) are sometimes disincentives for shelter entry. Other disincentives identified by homeless individuals include shelter fees, and the inability of shelters to accept pets. The Coordinator notes that HPO regularly monitors shelter performance across all contracted providers and is in the process of preparing a new Request for Proposals (RFP) for shelter services, which is expected to be released later this spring. The RFP is intended to encourage greater efficiency throughout the shelter system and expected to result in the maximization of shelter spaces to better serve Hawaii's growing number of unsheltered individuals and families.

The one-time appropriation provided for in Section 9 would also support increased efficiency in our shelter system. Specifically, the appropriation could be used for upgrades,

such as the installation of photovoltaic systems, which would reduce monthly utility costs and result in long-term cost savings. Investment in the facilities leads to a future option of converting shelter facilities to permanent housing or other appropriate uses.

The Coordinator notes that the administration and DHS are in the process of transitioning the State's system of care to a 'Housing First' oriented system, which emphasizes permanent housing, the use of evidence-based practices, and the removal of barriers that prevent homeless individuals from accessing services. This movement towards a new system of care will be reflected in the upcoming RFP and is also reflected in the overall State strategy, which includes a focus on Housing First, Rapid Re-Housing, and more robust homeless outreach.

Thank you for the opportunity to testify on this bill.



From: mailinglist@capitol.hawaii.gov
Sent: Friday, April 01, 2016 4:12 PM
To: FINTestimony
Cc: rebezamo@gmail.com
Subject: *Submitted testimony for SB2559 on Apr 1, 2016 15:00PM*

SB2559

Submitted on: 4/1/2016

Testimony for FIN on Apr 1, 2016 15:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Rebeca Zamora	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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