

## HUStestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Friday, January 27, 2017 2:02 PM  
**To:** HUStestimony  
**Cc:** cchaudron08@gmail.com  
**Subject:** Submitted testimony for HB125 on Feb 1, 2017 09:30AM

### **HB125**

Submitted on: 1/27/2017

Testimony for HUS on Feb 1, 2017 09:30AM in Conference Room 329

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Camila Chaudron	Individual	Support	No

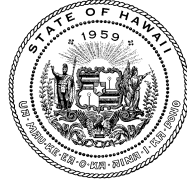
Comments: Hi, my name is Camila Chaudron, and I am a constituent from the Manoa/Makiki area. I support this measure. Sex trafficking is a serious yet under-examined issue and we need to be doing more to address it at the state level. Thank you for supporting our most vulnerable. Mahalo.

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To: The Honorable Dee Morikawa, Chair  
and Members of the House Committee on Human Services

Date: Wednesday, February 1, 2017  
Time: 9:30 A.M.  
Place: Conference Room 329, State Capitol

From: Maria E. Zielinski, Director  
Department of Taxation

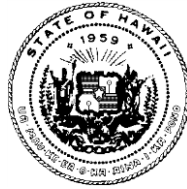
Re: H.B. 125, Relating to a Sex Trafficking Special Treatment Facility

The Department of Taxation (Department) appreciates the intent of H.B. 125 which, in Section 2, creates an exclusion from general excise tax for compensation received by victim service providers for services provided to sex trafficking victims who are minors or compensation received from operating or managing a sex trafficking treatment facility.

The Department requests that Section 2 this measure be applicable to taxable years beginning after December 31, 2017 to allow for the necessary instruction, form and computer modifications.

Thank you for the opportunity to provide comments.

DAVID Y. IGE  
GOVERNOR



PANKAJ BHANOT  
DIRECTOR

BRIDGET HOLTHUS  
DEPUTY DIRECTOR

STATE OF HAWAII  
DEPARTMENT OF HUMAN SERVICES  
P. O. Box 339  
Honolulu, Hawaii 96808

February 1, 2017

TO: The Honorable Dee Morikawa, Chair  
House Committee on Human Services

FROM: Pankaj Bhanot, Director

SUBJECT: **HB 125 – Relating to A Sex Trafficking Special Treatment Facility**

Hearing: Wednesday, February 1, 2017, 9:30 a.m.  
Conference Room 329, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) appreciates the intent of the bill and provides comments. There is a need for services given the vulnerability of foster children to sexual exploitation and the absence of appropriate housing options for this population.

**PURPOSE:** The purpose of this bill is to allow the Department of Human Services to contract with a service provider to operate and manage a sex trafficking special treatment facility. The bill also provides for procurement, tax and fee exemptions and makes an appropriation.

DHS offers the following comments and concerns:

- The proposed appropriation to DHS may adversely impact the budget priorities set forth in the Executive Biennium Budget.
- The proposed measure may adversely impact DHS current program priorities and mandates.
- Community programs and services may be appropriate to address the targeted population's needs as opposed to a facility model.
- DHS has concerns regarding the provider determining eligibility and treatment plans (as specified on page 3, lines1-9).

AN EQUAL OPPORTUNITY AGENCY

DHS suggests that eligibility should be determined in consultation with DHS and other appropriate state or government agencies. Referrals to the facility may be made by state agencies, providers, and the victim's parent, legal guardian, or caregiver. Treatment plans shall be developed in consultation with the appropriate state agency or provider, the victim, and the victim's parent, legal guardian, or caregiver.

- It is unclear to DHS the purpose and intent of the exemptions for the facility. Any health and human services funded by public dollars should be procured in an open manner by following standard procurement rules and processes. This ensures that the selection of the provider is done in a fair and transparent manner. All health and human services funded by public dollars should follow appropriate federal, state, and county laws, including tax laws.
- The treatment facility should have qualified health care professionals on staff to provide therapeutic services. DHS defers to the Department of Health regarding therapeutic, licensing and Medicaid compliance requirements that a treatment facility would need.
- A provider will need to establish the medical necessity of the services provided to qualify for Medicaid reimbursement.
- Child Welfare Services has developed and implemented protocols to identify, document, and determine appropriate services for any child or youth in their placement, care, or supervision who is at-risk of becoming or is a victim of sex trafficking, in accordance with Public Law 113-183, the Preventing Sex Trafficking and Strengthening Families Act.

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

House of Representatives

H.B. 125

Wednesday, 02-01-2017, 9:30am in House conference room 329

My name is Caroline Cutter and I'm currently in the MSW program at The University of Hawai'i Mānoa. I'm in favor of H.B. 125 because Oahu currently doesn't have a sex trafficking special treatment facility and currently there are no programs or long-term facilities specifically for child victims of trafficking and sexual exploitation. Therefore, I support H.B. 125 because services and housing is needed for this high-risk population that have no outside support.

Caroline Cutter

808-990-6039

ON BEHALF OF HARM REDUCTION HAWAII  
TESTIMONY

c/o 1658 Liholiho St #205  
Honolulu, HI 96822

January 30 2017

RE: HB 125 to be heard Wednesday February 1, in Room 329 at 9:30AM

To the members of the House Committee on Human Services

On behalf of the Harm Reduction Coalition **I want to express concerns** about HB 125, relating to a sex trafficking treatment facility for minors. Hawaii has a large teenage runaway problem and there is a need for more residential facilities. However, HB 125 may result in funds being directed to organizations with little professional experience or understanding of this problem.

Harm Reduction Hawaii is a non-profit organization that works with a large number of local service agencies to improve social services through harm reduction training and education. A list of some of the partners in the recent conference held at the Ala Moana Hotel is noted at the end of this testimony.

The conflation of underage persons who may occasionally engage in sex acts for money with trafficking victims is problematic. Unfortunately the UN and other respected agencies have given in to pressure and arbitrarily defined all underage sex workers as trafficking victims. The number of teens who are actually controlled by some exploiter is tiny. The problems the others may be dealing with may have little to do with prostitution, which is more likely to be their solution to said problems. The harm reduction coalition includes people with decades of first-hand experience in this area. We have our own ideas on what best practices are and are working to see them put into place.

Again the service suggested by HB 125 is needed, as are quality services for adult sex workers. Yet doing things the right way should be a priority. We hope that any government money is not simply let out to people who claim expertise based on their ability to recite anti-trafficking information available over the internet or the airwaves. Instead we suggest that the state consults with professionals from within the harm reduction coalition to ensure best practices are to be followed.

Signed:



Tracy Ryan

**Conference Partners Included:** ACLU • AIDS Education Project • CHOW Project • Community Alliance on Prisons • Drug Policy Forum of HI • Gregory House Programs • Harm Reduction HI • HI Department of Health-Chronic Disease Prevention, Harm Reduction Services, Health Promotion, and Injury Prevention Branches • HI Coalition for Immigrant Rights • HI Island HIV/AIDS Foundation • HPU School of Social Work • HI Youth Services Network • Hep Free HI • HEP Project-Seattle • Hina Mauka • Life Foundation • Malama Pono Health Services • Maui AIDS Foundation • Mental Health America

of HI • Orasure • Pacific Gateway Clinic • Papa Ola Lokahi • Tattoo Hawaii • UH Office of Public Health Studies, College of Pharmacy and School of Social Work • Waikiki Health • We Are Oceania •



46-063 Emepela Pl. #U101 Kaneohe, HI 96744 · (808) 679-7454 · Kris Coffield · Co-founder/Executive Director

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**TESTIMONY FOR HOUSE BILL 125, RELATING TO A SEX TRAFFICKING  
SPECIAL TREATMENT FACILITY**

**House Committee on Human Services  
Hon. Dee Morikawa, Chair  
Hon. Chris Todd, Vice Chair**

**Wednesday, February 1, 2017, 9:30 AM  
State Capitol, Conference Room 225**

Honorable Chair Morikawa and committee members:

I am Kris Coffield, representing IMUAlliance, a nonpartisan political advocacy organization that currently boasts over 350 members. On behalf of our members, we offer this testimony in support of, with proposed amendments for House Bill 125, relating to a sex trafficking special treatment facility.

IMUAlliance is one of the state's largest victim service providers for survivors of sex trafficking. Over the past 10 years, we have provided direct intervention services to 130 victims, successfully emancipating them from slavery and assisting in their restoration. Each of the victims we have assisted has suffered from complex and overlapping trauma, including post-traumatic stress disorder, depression and anxiety, dissociation, parasuicidal behavior, and substance abuse. Trafficking-related trauma can lead to a complete loss of identity. A victim we cared for in 2016, for example, had become so heavily bonded to her pimp that while under his grasp, she couldn't remember her own name.

Sex trafficking is a profoundly violent crime. The Average age of entry into commercial sexual exploitation is 13-years-old, with 60 percent of sex trafficked children being under the age of 16. Approximately 150 high-risk sex trafficking establishments are operational in Hawai'i. An estimated 1,500-2,500 women and children are victimized by sex traffickers in our state annually. Over 110,000 advertisements for Hawai'i-based prostitution are posted online each year, a number that has *not* decreased with the recent shuttering of Backpage.com's "adult services" section. More than 80 percent of runaway youth report being approached for sexual exploitation while on the run, over 30 percent of whom are targeted within the first 48 hours of leaving home.

With regard to mental health, sex trafficking victims are twice as likely to suffer from PTSD as a soldier in a war zone. Greater than 80 percent of victims report being repeatedly raped



and 95 percent of report being physically assaulted, numbers that are underreported, according to the United States Department of State and numerous trauma specialists, because of the inability of many victims to recognize sexual violence as such. As one underage victim—now a survivor—told IMUAlliance prior to being rescued, “I can’t be raped. Only good girls can be raped. I’m a bad girl. If I *want* to be raped, I have to *earn* it.”

Accordingly, we support the establishment of treatment centers for the victims with whom we work. We note, however, that the local anti-trafficking group Ho’ōla Nā Pua is currently engaged in a capital campaign to build a long-term residential care center for domestic minor (child) sex trafficking victims, set to open in late 2018 or early 2019. As a strategic partner to Ho’ōla Nā Pua, we full endorse and support their efforts, which remain private at this time and certified by the Hawaii State Department of Health. We are concerned that HB 125, as currently drafted, may detract from Ho’ōla Nā Pua’s efforts by prompting the state to establish a pipeline with an alternative, less qualified, victim service provider. Services performed through Ho’ōla Nā Pua are trauma-informed, comport with nationally recognized best practices for trauma counseling and victim rehabilitation and restoration, and led by professionals with decades of experience in working with child victims of sexual violence.

That said, we recognize the importance of providing a continuum of care for the sex trafficking victims with whom we work each day. Hawai’i currently has a dramatic shortage of emergency shelters for child victims, the primary—and, perhaps, only one in operation today being Queen’s Family Treatment Center. Thus, we urge your committee to **amend this measure by specifying that the term of stay at the treatment center established by this proposal shall be no more than 30 days and that the purpose of the treatment center shall be to deliver emergency care**, rather than long-term rehabilitation. Additionally, we encourage the committee to **delete the exemption from sections 103D and 103F contained in this measure**, thereby preventing favoritism, collusion, and fraud in the awarding of the government contract established by this bill and ensuring that public procurement will proceed in an open manner. Finally, we suggest that you **add language to this bill guaranteeing the services provided at the proposed treatment center will be coordinated with the Hawai’i State Department of Health and that continuum of care offered will be developed and provided facilitated by a qualified healthcare provider** able to produce a comprehensive quality assurance program that meets MedQUEST standards.

Mahalo for the opportunity to testify in support of this bill.

Sincerely,  
Kris Coffield  
*Executive Director*  
IMUAlliance

DEPARTMENT OF THE PROSECUTING ATTORNEY  
**CITY AND COUNTY OF HONOLULU**

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FIRST DEPUTY PROSECUTING ATTORNEY



**THE HONORABLE DEE MORIKAWA, CHAIR  
HOUSE COMMITTEE ON HUMAN SERVICES  
Twenty-Ninth State Legislature  
Regular Session of 2017  
State of Hawai`i**

February 1, 2017

**RE: H.B. 125; RELATING TO SEX TRAFFICKING SPECIAL TREATMENT  
FACILITY.**

Chair Morikawa, Vice-Chair Todd, members of the House Committee on Human Services, the Department of the Prosecuting Attorney of the City and County of Honolulu (Department) submits the following testimony in support of the intent of H.B. 125, with concerns.

The purpose of H.B. 125 is to create a system and guidelines for sex trafficking special treatment facilities. Our Department agrees with need for sex trafficking special treatment facilities, however, the Department raises concerns over the mechanisms that are utilized in implementation of these specific guidelines.

Specifically, the Department has concerns on sections of this proposed bill that appears to bypass procurement procedures (pg. 2) as well as allowing for tax exemptions (pg. 3).

“§346- Sex Trafficking special treatment facility operation and management...The selection of a victim service provider shall not be subject to chapters 42f, 102, 103D, or 103F.

§346- Exemption from tax, fee, and other requirements.

(a) Any compensation received by a victim service provider pursuant to this part for services rendered to sex trafficking victims who are minors or for operating or managing a sex trafficking special treatment facility shall be exempt from taxation under chapter 237.

(b) Any county mayor, by executive order, may exempt from real property taxes, water and sewer development fees, rates collected for water supplied to

consumers and for use of sewers, an any other county taxes charges, or fees, a victim service provider operating and managing a sex trafficking special treatment facility pursuant to this part; provided that any county may enact ordinances to regulate the exemption granted by this subsection.

- (c) Any victim service provider operating or managing a sex trafficking special treatment facility pursuant to this part shall be exempt from any requirements contained in part VIII of chapter 346 and chapters 467B and 521.”

Our Department is concerned that eliminating the procurement process may limit the number of qualified agencies which may serve as sex trafficking special treatment facilities. In addition, there does not appear to be a clear justification for the proposed tax exemptions, as this appears better suited to be a grant-in-aid.

For all of the reasons stated above, the Department of the Prosecuting Attorney of the City and County of Honolulu supports the intent of H.B. 125, with concerns. Thank you for the opportunity to testify on this matter.

COMMITTEE ON HUMAN SERVICES

Rep. Dee Morikawa, Chair  
Rep. Chris Todd, Vice Chair

Hayley Unterreiner  
MSW Candidate  
Myron B. Thompson School of Social Work  
University of Hawai`i

Conference Room 329 Wednesday, February 1<sup>st</sup>, 2017

In support: HB125  
Relating to a sex trafficking special treatment facility

Aloha, my name is Hayley Unterreiner. I am a second-year Master's student from University of Hawai`i Myron B. Thompson School of Social Work. I am testifying in support of HB125.

I come from a history of working with minors who have been victims of sexual abuse. Through this experience, I have come across survivors of the sex trafficking industry. I am especially invested in the success of this bill because I have worked with these individuals in a general in-patient psychiatric treatment center for youth and adolescents. Throughout that time, I noticed a difference in those who have experience certain types of trauma. The treatment and needs for each individual is unique to what him/her has experienced.

- Currently, Ho`ōla Nā Pua is the only organization in Hawai`i working to build a long-term licensed residential facility of this kind.
- Hawai`i is a hub for sex trafficking
- "The number of females trafficked for sex in Hawai`i each year is most likely in the thousands," says Kathryn Xian, the founder and head of Pacific Alliance to Stop Slavery

I believe this bill has the capability to invest in a unique population that faces a myriad of difficulties and struggles that other people with trauma histories cannot relate to. Prostitution is currently being criminalized for minors who were forced into this slavery in the first place. This shows the survivors that they are not only at the hand of their abuser's control but the government as well. Providing safe havens where they can understand and face what has happened is a more restorative approach. A specialized treatment facility will allow staff to hone into these special and specific needs creating a more focused and longer lasting healing process for survivors.

Mahalo for your time and consideration,  
Hayley Unterreiner  
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(925) 915-0618