



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

February 8, 2017

TO: The Honorable Representative Dee Morikawa
House Committee on Human Services

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

SUBJECT: HB 1447 – RELATING TO HOMELESSNESS

Hearing: Wednesday, February 8, 2017, 11:00 a.m.
Conference Room 329, State Capitol

POSITION: The Governor's Coordinator on Homelessness respectfully opposes this bill. The Coordinator notes that the formal establishment of homeless encampments is inconsistent with the State's overall strategy to address homelessness; linking individuals and families to housing is the better long term strategy.

In 2012, through Act 105, Session Laws of Hawaii 2012, the Legislature requested the Hawaii Interagency Council on Homelessness (HICH) study the issue of "designating safe facilities located at areas, showers, toilets, laundry facilities, and locker rooms in various locations throughout the State for homeless persons for overnight stays." In its report to the Legislature, the HICH concluded that "[c]reating camping areas for homeless individuals in our parks and in our public buildings . . . is unworkable, is not advisable, and should not be pursued." (See Report to the Twenty-Seventh Hawaii State Legislature 2013, in accordance with the provisions of Act 105, Session Laws of Hawaii 2012, Appendix 2, at page 10; link to the report: <http://humanservices.hawaii.gov/wp-content/uploads/2013/01/2012-Act-105-SLH-2012-HICH-Progress-Report.pdf>).

PURPOSE: The purpose of the bill is to direct the Department of Human Services (DHS) to develop and implement residential campgrounds for the homeless. The bill appropriates \$1 million in general funds for staffing and implementation.

The State has adopted a comprehensive framework to address homelessness, which includes a focus on three primary leverage points – affordable housing, health and human services, and public safety. While all three of these leverage points must be addressed to continue forward momentum in addressing the complex issue of homelessness, the overall strategy emphasizes permanent housing as the solution to homelessness.

The establishment of formal homeless encampments conflicts with both federal and state policies to address homelessness. Both the HICH and the United States Interagency Council on Homelessness (USICH) have recommended against formal establishment of homeless encampments. According to the USICH, “strategies that focus on making encampments an official part of the system for responding to homelessness can serve to distract communities from focusing on what is most important – connecting people experiencing homelessness to safe, stable, permanent housing.” (USICH, *Ending Homelessness for People Living in Encampments*, August 2015).

As an alternative to the establishment of tent encampments, the Executive Budget request includes over \$180 million for the development of affordable housing and for public housing renovations. The Executive Budget specifically addresses housing production and assistance with high housing costs, as well as increasing resources for homeless outreach, mental health and substance use treatment.

Thank you for the opportunity to testify on this bill.

DAVID Y. IGE
GOVERNOR OF
HAWAII



SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

KEKOA KALUHIWA
FIRST DEPUTY

JEFFREY T. PEARSON, P.E.
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
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COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
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LAND
STATE PARKS

**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

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HONOLULU, HAWAII 96809

**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the House Committee on
HUMAN SERVICES**

**Wednesday, February 8, 2017
11:00 AM
Conference Room 329**

**In consideration of
HOUSE BILL 1447
RELATING TO HOMELESSNESS**

House Bill 1447 proposes to direct the Department of Human Services to develop and implement residential campgrounds for homeless on undeveloped government lands located in industrial zones. **The Department of Land and Natural Resources (Department) is concerned because in a hearing on the companion measure, Senate Bill 1243, the only urban land discussed was Sand Island State Park on O‘ahu. The Department opposes the use of Sand Island State Recreational Area (SISRA) as a designated homeless shelter facility.**

The Department notes SISRA is urban land which has been developed for use as a public park and therefore does not meet the requirements of the bill. Further, portions of SISRA have been developed with federal Land and Water Conservation Fund (LWCF) monies, which establishes a covenant requiring public recreational use of the park.

In addition, the people of Honolulu have relatively few places for recreation in urban Honolulu. SISRA is one of the few large recreational areas where families can camp in Honolulu. In 2015, 637 camping permits were issued to 3,694 members of the public. Nine (9) canoe clubs with extensive memberships store and use 80 canoes and three dragon boats at the park. Canoe club members regularly use the area for practice.

The Hawaii Softball Foundation and Maryknoll School have refurbished the playing fields in response to demand for baseball and softball fields in urban Honolulu. This park is also one of only a few places on O‘ahu with a BMX bike track and remote control car track. In addition, the Board of Land and Natural Resources approved a right-of-entry and the issuance of a Revocable Permit to the Honolulu Sea Water Air Conditioning project that will be initiated in the near

future. This entity will be authorized to use a portion of the park and a site until completion of the project.

The Department believes it would be unfair to O'ahu park users and would create a complex management scenario to place a homeless tent zone in the midst of this public park. However, should SISRA be used for a homeless shelter, funding should be included in House Bill 1447 to identify and develop another shoreline park to replace it. In addition, SISRA would have to be subdivided and set aside to another state agency – as the Department's Division of State Parks does not have the capacity or expertise to manage a homeless tent village. Current park rules would also need to be reviewed. For example, Chapter 13-146, Hawaii Administrative Rules, does not allow for smoking within a park, though this activity may need to be revisited if a residential campground is considered.

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



February 8, 2017 at 9:00 AM
Conference Room 329

House Committee on Human Services
House Committee on Health

To: Chair Dee Morikawa
Vice Chair Chris Todd

Chair Della Au Belatti
Vice Chair Bertrand Kobayashi

From: Kurt Akamine
Vice President
Ohana Pacific Management Company, Inc.

Re: **Testimony in Support**
HB 89, Relating to the Hospital Sustainability Program

Ohana Pacific Management Company, Inc. (OPMC) which owns and operates five post-acute care facilities servicing more than 500 patients on Oahu and Kauai as well as an adult day health program and home health agency on Kauai.

OPMC is the largest privately owned post-acute health care provider in the state and strives to provide the highest quality of post-acute care to the Hawaii population. Our foundation for delivery of care encompasses many aspects but quality is the main driver.

Ohana Pacific Management Company would like to thank the committees for the opportunity to **support** HB 89. This legislation would amend and extend the Hospital Sustainability Program, which has helped Hawaii hospitals offset some of the losses they incur taking care of the most underserved in our state. HAH's proposed legislation would codify the program for fiscal years 2018 and 2019, and make other adjustments to the program as necessary. Notably, this legislation authorizes the program for two years. (Previously, the program was authorized annually.) This change is supported by HAH members and our partners at the Department of Human Services.

Recognizing that Medicaid payments to hospitals were far below the actual costs of care, the Legislature created the Hospital Sustainability Program in 2012. This program improves Medicaid payments to hospitals by assessing a fee on hospitals based on their patient revenue. The funds generated by those fees are then used to obtain additional federal Medicaid funds, which are deposited in a special fund and distributed back to private hospitals. Payment back to facilities is based on the amount of a hospital's uncompensated care, which includes the costs incurred by hospitals serving under- and uninsured patients. Importantly, no state funds are contributed to the Hospital Sustainability Program—in fact, the state is able to use a portion of the fees to support Medicaid activities.

Because of this program, Medicaid payments are now closer to the actual costs of care, thereby reducing losses and improving the financial stability of our health care system. Even with this program, however,, hospitals continue to experience shortfalls, with data from the latest year available (2013) showing \$76 million in uncompensated losses.

We humbly request that the State Legislature continue its support of this program. Thank you for your time and consideration of this measure.



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

TESTIMONY FOR HOUSE BILL 1447, RELATING TO HOMELESSNESS

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

Wednesday, February 8, 2017, 11:00 AM
State Capitol, Conference Room 329

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 opposition to House Bill 1447, relating to homelessness.

According to the 2016 statewide *Point In Time Count* (PITC) report, 7,921 houseless persons were counted on a single night in January last year, up 4 percent from 2015. More than half of these persons were unsheltered. O’ahu accounted for 62 percent of the total (4,940 people), up 1 percent from the previous year. Kaua’i saw a 30 percent increase in the homeless population living on its shores (442 people), while the Big Island saw an increase of 12 percent (1,394 people). Overall, our state saw a 12 percent increase in the number of unsheltered homeless individuals and families and, concurrently, a 4.5 percent decrease in the number of sheltered individuals and families. Notably, the size of the houseless population on O’ahu is up 25 percent from 2009, when 3,638 homeless people were counted. Additionally, Department of Education officials said, last January, that 3,576 public school students are homeless. Last year's PITC captured just over half of them. We know, then, that our state’s homeless population is not only larger than the statistics show, but growing.

Over 30 percent of juvenile arrests in Hawai’i are for running away from home, the highest proportion in the nation. Nationally, one in seven young people between the ages of 10 and 18 will run away. Approximately 75 percent of runaways are female, while 46 percent of runaway and homeless youth report being physically abused, 38 percent report being emotionally abused, and 17 percent report being forced into unwanted sexual activity by a family or household member, according to the National Conference of State Legislatures. Roughly 30 percent runaway children will be approached for commercial sexual exploitation within 48 hours of being on the run, with over 80 percent being approached for the sex trade during the course of their time on streets. A federal study found that an estimated 38,600 runaway youth have been

sexually assaulted, in the company of someone known to be sexually abusive, or engaged in sexual activity in exchange for money, food, or shelter. Runaways are perceived as easy targets for sex traffickers because they lack stable shelter, a supportive environment, and financial resources, placing them at greater risk of forced prostitution and sexual servitude.

Traffickers exploit our limited number of available shelter beds to lure young people into exploitation. As the homeless childcare provider Covenant House observes, traffickers tell homeless youth that shelters are full and ask, “Where are you going to go? Why don’t you come with me? I’ll take care of you.” Coupled with threats of and enacted physical and sexual violence against the victims or their families, these coercive techniques compel runaway youth to remain enslaved. LGBTQ youth, who comprise an estimated 40 percent of the runaway and homeless youth population in the United States, are exponentially more likely to fall prey to human traffickers because of discrimination, family and community trauma, and a longing for comfort and acceptance (an estimated 26 percent of LGBTQ adolescents are rejected by their families and put out of their homes simply for being open and honest about who they are). In providing care for victims of human trafficking, IMUAlliance has heard their stories hundreds of times.

We must fund homeless services, including Housing First and rapid rehousing programs for chronically homeless individuals and people on the cusp of homelessness. We must not, however, lose sight of the fact that homeless people are members of our communities. Segregating houseless families from the communities in which they live—and for many, work—is cruel and implies that our unsheltered population is to be hidden, not served. Segregated campgrounds for the homeless would perpetuate the pernicious myth that paradise is primarily a playground for the rich. To truly address the issue of homelessness, we must find a balance between rampant real estate speculation and meeting the needs of our state’s most economically vulnerable residents. Just as our homeless population has soared over the past few years, so, too, has our state’s cost of housing. The median price of condominiums on O’ahu increased 8.3 percent in 2016 to \$390,000, while the median price for single-family homes increased by 6.5 percent to \$735,000, according to the Honolulu Board of Realtors. Average rent for a 900-square foot apartment in Honolulu now exceeds \$2,200, with the cost of a four-bedroom home in urban Honolulu now exceeding \$1.1 million. At least 44 percent of residences in Hawai’i are owner unoccupied, according to the University of Hawai’i Economic Research Organization, meaning that nearly 50 percent—and by some estimates over half—of Hawai’i’s homes are investment properties.

Many of those properties, in turn, are owned by mainland and foreign buyers, whose real estate market speculation is a prime driver of Hawai’i’s highest-in-the-nation cost of housing. According to a study released in May of 2016 by the Hawai’i Department of Business, Economic Development, and Tourism, there are “clear distinctions” between the average price of homes bought by local residents, mainlanders, and foreigners. Analyzing purchases made between 2008 and 2015, DBEDT found: “The average sale price was highest among foreign buyers. The

average sale price of the total of 5,775 homes sold to foreign buyers from 2008 to 2015 was \$786,186, 28.3 percent higher than the average sale price to the mainlanders (\$612,770) and 64.7 percent higher than the average sale price to local buyers (\$477,460).”

Researchers who authored the National Low Income Housing Coalition’s *Out of Reach 2016* report found that a full-time worker would need to earn \$34.22/hour to afford a two-bedroom apartment at fair market value in our state, with Honolulu experiencing a 67 percent increase in fair market rent between 2005 and 2015. Average rent for a two-bedroom unit surpassed \$2,100 in 2015, with average rent for a 900-square-foot exceeding \$2,200 in 2016. In the past three years alone, Honolulu rent has increased 23.5 percent. While 47 percent of Hawai’i residents are renters (a number that does not include individuals and families renting outside of the regulated rental market), they earn an average wage of \$14.49/hour, scarcely enough to meet their basic needs. One out of every four households in Hawai’i report that they are “doubling up” or are three paychecks or less away from being homeless, per the Hawai’i Appleseed Center for Law and Economic Justice. Additionally, 54 percent of households are cost-burdened, meaning that they pay more than 30 percent of their income for housing costs. Put simply, homelessness is directly tied to our state’s exorbitant cost of living and penchant for catering to people who use the islands as their own private Monopoly board. We beseech you to seek innovative ways of making Hawai’i more affordable, while funding the services necessary to show aloha for our economically disadvantaged neighbors.

When you fund housing programs and human services for the homeless, you are helping to end slavery in Hawai’i. Please provide comprehensive care and services for our houseless population, rather than pass policies that treat them like lesser citizens. Mahalo for the opportunity to testify in opposition to this bill.

Sincerely,
Kris Coffield
Executive Director
IMUAlliance



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(COMMITTEE on HUMAN SERVICES)

WEDNESDAY, February 8, 2017, 11 a.m., Room Number 329)
HB1447, Relating to Homelessness

TESTIMONY

Beppie Shapiro, Legislative Committee, League of Women Voters of Hawaii

Chair Morikawa, Vice-Chair Todd, and Committee Members:

The League of Women Voters of Hawaii supports with some reservations HB1447 which directs DHS to establish campgrounds for homeless people on undeveloped government land in industrial areas. The campgrounds would provide supportive services and hygienic and convenience services such as locked storage and receipt of postal mail.

Hawai`i is experiencing a crisis in homelessness, the result of several factors including, primarily, a critical shortage of housing available for very low income individuals and families. Either as a cause of, or a consequence of, prolonged homelessness, many homeless people are substance-addicted and/or suffer from mental illnesses.

The situation of homeless individuals and families is made almost impossible by continuing efforts to move their campsites away from public view or inconvenience of nearby institutions or businesses. While new removable policies and practices are ongoing, homeless individuals and families who refuse to use available shelters have not been provided with any option. The reasons for such refusal are many: beloved pets, addiction, perception that shelters are unsafe, inability to be co-housed with family members or household members, etc.



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The “Housing First” program aims to eliminate such refusals, but has housed a tiny percent of those needing housing, and is quite expensive.

HB 1447 provides a stop-gap solution which would provide homeless individuals and families a legal and convenient place where they can establish camps.

The League believes that not all the requirements listed in the bill may be practical initially or simultaneously, but they are individually desirable and constitute a goal to achieve.

Thank you for the opportunity to submit testimony.

todd2 - Chloe

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 6, 2017 8:46 PM
To: HUSstestimony
Cc: pacosta@aleabridge.org
Subject: Submitted testimony for HB1447 on Feb 8, 2017 11:00AM

HB1447

Submitted on: 2/6/2017

Testimony for HUS on Feb 8, 2017 11:00AM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Augustus Acosta	ALEA Bridge	Support	No

Comments: ALEA Bridge supports HB1447 to implement residential campgrounds for the homeless. A temporary solution such as this to supplement the low inventory of affordable housing is an important part of the statewide homelessness issues.

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todd2 - Chloe

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 6, 2017 3:19 PM
To: HUS testimony
Cc: mendezj@hawaii.edu
Subject: *Submitted testimony for HB1447 on Feb 8, 2017 11:00AM*

HB1447

Submitted on: 2/6/2017

Testimony for HUS on Feb 8, 2017 11:00AM in Conference Room 329

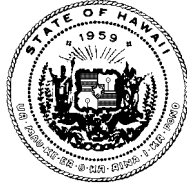
Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Support	No

Comments:

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DAVID Y. IGE
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DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
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Honolulu, Hawaii 96809-0339

LATE

February 8, 2017

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

FROM: Pankaj Bhanot, Director

SUBJECT: **HB1447 – RELATING TO HOMELESSNESS**

Hearing: February 8, 2017, 11:00 a.m.
Conference Room 329, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this bill to address the State's homeless crisis. However, DHS respectfully opposes this measure. DHS has concerns that the measure may create unforeseen consequences and may adversely affect the Governor's Executive Budget requests for homeless services.

PURPOSE: The purpose of the bill is to establish residential campgrounds for homeless and provide supportive services like a housing first program.

Housing First is an approach that emphasizes stable, permanent housing as a strategy for ending homelessness. Housing First has been successfully implemented on Oahu and DHS Homeless Programs Office is poised to expand the Housing First program to the neighbor islands.

Additionally, as noted by the National Alliance to End Homelessness, Housing First is based on the theory that client choice is valuable in housing selection and supportive service participation, and that exercising that choice is likely to make a client more successful in remaining housed and improving their life. The residential campgrounds proposed in this measure takes away that choice which is the critical component of Housing First.

Many experts on the issue of homelessness agree that these types of encampments encourage more encampments. It is important for government to build affordable low income

housing to increase the inventory of permanent housing instead of temporary camps. Barbara Poppe, former Executive Director of the United States Interagency Council on Homelessness (USICH), stated that tent cities are not part, or should not be part of the government's response to homelessness.

DHS asks the Legislature to support the Governor's Executive budget requests which are based upon available program data and experience with encampments of homeless individuals.

Thank you for the opportunity to testify on this bill.