

HB 2281, HD 1

Measure Title:	RELATING TO HOMELESSNESS.
Report Title:	Homelessness; Housing; DHS; DOH; HPHA; Outreach; Rapid Rehousing; State Rent Supplement; Housing First; Ohana Zones; Oahu Family Assessment Center; Law Enforcement Assisted Diversion Program; Appropriation (\$)
Description:	Establishes within the Department of Human Services an Ohana Zones program to provide housing to homeless individuals and families based on principles similar to Housing First and appropriates unspecified funds for the program. Appropriates unspecified funds to the Department of Human Services and the Department of Health to continue to administer various housing and homelessness programs. Appropriates unspecified funds to the Hawaii Public Housing Authority for public housing improvements and renovations statewide and a rent supplement pilot program. (HB2281 HD1)
Companion:	
Package:	None
Current Referral:	HOU/HMS, WAM
Introducer(s):	MIZUNO, BELATTI, BROWER, CACHOLA, CREAGAN, CULLEN, GATES, ICHIYAMA, KEOHOKALO, LEARMONT, LUKE, MCKELVEY, MORIKAWA, SAN BUENAVENTURA, THIELEN



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

March 19, 2018

TO: The Honorable Senator Will Espero, Chair
Senate Committee on Housing

The Honorable Senator Josh Green, Chair
Senate Committee on Human Services

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

SUBJECT: **HB 2281 HD1– RELATING TO HOMELESSNESS**

Hearing: Monday, March 19, 2018, 2:45 p.m.
Conference Room 016, State Capitol

POSITION: The Governor's Coordinator on Homelessness supports sections 4 to 10 of this measure, provided that the measure's passage does not replace or adversely impact priorities indicated in the Governor's Supplemental Budget request, and offers comments in regard to sections 2, 3, and 7.

The Coordinator asks the Legislature to support the Governor's Supplemental Budget request, which includes appropriations to the Hawaii Public Housing Authority (HPHA) for the state rent supplement program; appropriations to the Department of Human Services (DHS) for Housing First, Rapid Rehousing, homeless outreach services, and the Family Assessment Center; and an appropriation to the Department of Health (DOH) for homeless outreach, counseling, and diversion services for unsheltered persons experiencing substance abuse. The Coordinator also asks the Legislature to support appropriations in the Supplemental Budget for HPHA to provide public housing improvements and renovations statewide.

PURPOSE: The purpose of the bill is to make appropriations to HPHA, DHS, and DOH for various programs to address homelessness, as well as capital improvements for public housing facilities.

With regard to sections 2 and 3 of this measure, the Coordinator appreciates the Legislature's efforts to adopt innovative solutions to the complex challenge of homelessness and notes that the Administration has been working to identify vacant state land for potential housing projects for the homeless population. However, it has been challenging to identify land that has adequate infrastructure and is zoned to allow residential use. A preliminary search for vacant state lands by the Act 212 (2017) Safe Zones Working Group identified nine vacant state parcels, which included many that were not suitable for residential use due to zoning, lack of road access and other necessary infrastructure, location on a hillside, and potential ground contamination. The Act 212 (2017) Safe Zones Working Group also received public testimony from legislators and community members expressing concerns that housing projects for the homeless population should not be sited in an area without adequate dialogue with the surrounding community. The vacant state lands identified and the feedback received by the working group warrant closer consideration if this measure proceeds. The full report of the Act 212 (2017) Safe Zones Working Group can be found online at:

<https://humanservices.hawaii.gov/wp-content/uploads/2017/12/Act-212-2017-Report-on-Safe-Zones-HCR-148-SD-1-on-Squatting.pdf>.

Due to the issues identified by the Safe Zones working group related to non-residential zoning and inadequate infrastructure, it appears that the timeframe specified in this measure is ambitious given requirements outlined in chapters 171 and 343, Hawaii Revised Statutes, regarding the set aside of public lands and the environmental review process. The Coordinator notes that similar housing projects initiated by the City & County of Honolulu that were exempted from these provisions by the Governor's emergency proclamation to address homelessness took nearly 1.5 years to complete. The Coordinator respectfully defers to DLNR on issues related to land and environmental review, such as potential impacts to historic and cultural sites, streams, reefs and coastal waters, and the potential impact that may result if Ohana Zones are exempted from these processes or if these processes are expedited.

To ensure timely implementation of Ohana Zones, the Legislature may wish to consider amendments that provide DHS and other relevant executive branch agencies with exemptions from chapters 103D and 103F, Hawaii Revised Statutes, for this purpose. In addition, if the

development of administrative rules are required for Ohana Zones, the Legislature may also wish to consider amendments that enable DHS and other relevant executive branch agencies to develop interim rules without regard to chapter 91, Hawaii Revised Statutes, for the purposes of the program. The Coordinator notes that construction of housing facilities requires specialized skills and expertise that may be beyond the current capacity of DHS, and recommends the designation of another executive branch agency with this specific expertise if the Legislature's intent is for an Ohana Zone to include construction of facilities.

With regard to section 7, the Coordinator notes that HB1900 HD1 blanks out the requested appropriation of \$1,551,577 in the Governor's Supplemental Budget for the state rent supplement program, and transfers \$1,069,494 from Program ID HMS 222 (HPHA – Rental Assistance Services) to Program ID HMS 211 (DHS – Benefits, Employment & Support Services Division Cash Support for Families – Self-Sufficiency). The Coordinator further notes that DHS does not currently have the adequate staffing, procedures, administrative rules, or eligibility and payment system to administer the state rent supplement program. For these reasons, the Coordinator prefers the language in this measure, HB2281 HD1, which appropriates funds for the state rent supplement program to HPHA, which does have the staffing, procedures, administrative rules and an adequate payment system to administer a state rent supplement pilot program.

The Coordinator notes that the costs to implement this measure – including installation of necessary infrastructure, facilities, and services required to implement an Ohana Zone, as well as the state rent supplement pilot program – will be significant, and the Coordinator is concerned about potential adverse impacts on priorities identified in the Governor's Supplemental Budget request. The Governor's Supplemental Budget request includes funding for critical programs, such as for Housing First, Rapid Rehousing, and homeless outreach. Collectively, the homeless programs administered by DHS and other State agencies represent an array of financial resources designed to provide one-time crisis assistance, as well as medium term (3-24 months) and longer-term support. This mix of short-, medium-, and long-term assistance is designed not only to transition at-risk and homeless individuals and families into stable housing, but also designed to prevent homelessness by assisting formerly homeless

individuals in maintaining housing over time. Accordingly, the Coordinator respectfully asks for the Legislature's support of the Governor's Supplemental Budget request.

Finally, the Coordinator notes that the State approach to homelessness includes a focus on oversight and accountability for public funds used for this purpose. DHS established performance measures for homeless services contracts in response to Act 234, Session Laws of Hawaii 2016. This approach emphasizes reporting and transparency, and ties payment for homeless services to provider performance. In 2017, DHS executed a series of contracts for housing placement, emergency grant, homeless outreach, and shelter that establish specific performance benchmarks and condition payment in part upon meeting these benchmarks, which are related to the end goal of placing homeless individuals into permanent housing. The State's intent is to apply similar benchmarks and conditions to all new contracts for homeless services. The Coordinator defers to appropriate executive branch agencies for specific guidance on benchmarks and conditions for the programs outlined in this measure.

Thank you for the opportunity to testify on this bill.

DAVID Y. IGE
GOVERNOR



HAKIM OUANSAFI
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

STATE OF HAWAII
HAWAII PUBLIC HOUSING AUTHORITY
1002 NORTH SCHOOL STREET
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Statement of
Hakim Ouansafi
Hawaii Public Housing Authority
Before the

**SENATE COMMITTEE ON HOUSING
AND
COMMITTEE ON HUMAN SERVICES**

**Monday, March 19, 2018
2:45 PM - Room 016, Hawaii State Capitol**

In consideration of
**HB 2281, HD1
RELATING TO HOMELESSNESS**

Honorable Chair Espero, Honorable Chair Green, and Members of the Senate Committees on Housing, and Human Services, thank you for the opportunity to provide testimony concerning House Bill (HB) 2281, HD1, relating to homelessness.

The Hawaii Public Housing Authority (HPHA) **appreciates the intent** of SECTION 4 and SECTION 7 of this measure, so long as it does not adversely affect the Governor's supplemental budget, and offers the following comments.

HB 2281, HD1 proposes in SECTION 4 of the measure to appropriate a blank amount of general funds for public housing improvements and renovations, and also proposes in SECTION 7 to appropriate a blank amount of general funds to administer a state rent supplement pilot program to assist 100 currently homeless families with minor children or families with minor children at imminent risk of homelessness due to domestic violence.

In SECTION 4, these much needed funds will enable the HPHA to continue to address the extensive capital needs of the HPHA's aging housing stock, and repair our low-income housing properties quicker, and move more needy families into low-income public housing.

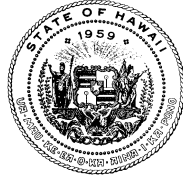
During Governor Ige's Emergency Proclamation to provide emergency relief to address the homeless crisis, the HPHA was able to contract with Catholic Charities and assist a total of 87 homeless families. The rental supplement was \$1000 for the first 6 months, and then \$500 a month going forward.

For SECTION 7, in order to start the rent supplement pilot program right away, the HPHA would like to request the addition of the following amendments:

- "The Hawaii public housing authority shall develop interim rules without regard to chapter 91, Hawaii Revised Statutes, for assisting participants with the state rent supplement pilot program pursuant to section 7 of this Act."

- “The Hawaii public housing authority may procure case management and counseling services without regard to chapter 103D and 103F, Hawaii Revised Statutes, for assisting participants with the state rent supplement pilot program pursuant to section 7 of this Act.”

The HPHA appreciates the opportunity to provide the Senate Committees with the HPHA’s testimony regarding HB 2281, HD1. We thank you very much for your dedicated support.



STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. Box 3378
Honolulu, HI 96801-3378
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**TESTIMONY COMMENTING ON HB 2281 HD 1
RELATING TO HOMELESSNESS**

SENATOR WILL ESPERO, CHAIR
SENATE COMMITTEE ON HOUSING

SENATOR JOSH GREEN, CHAIR
SENATE COMMITTEE ON HUMAN SERVICES

Hearing Date: March 19, 2018

Room Number: 016

1 The Department of Health (DOH) strongly supports HB 2281 HD 1 and defers to the
2 Governor's Coordinator on Homelessness regarding Sections 1 through 8 and Section 10.

3 The DOH respectfully submits the following comments regarding Section 9, which
4 appropriates an unspecified amount to the DOH to "*continue to administer outreach, counseling,*
5 *and diversion for unsheltered homeless persons experiencing substance abuse.*"

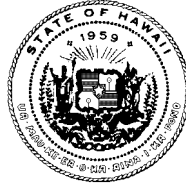
6 The DOH supports the addition of an additional year of funding for these services to
7 continue and sustain the programs and activities that have been implemented with funds
8 allocated to the DOH last session, including \$200,000 for implementation of the Law
9 Enforcement Assisted Diversion pilot program, and \$600,000 for outreach services to
10 unsheltered persons with substance abuse disorders.

11 Additional funding to sustain the activities described in Section 9 was included in the
12 Governor's Executive Budget, but was recently removed by the House Committee on Finance on

1 the basis that this request was supported through other measures active in the Legislature—
2 including this measure, HB 2281 HD 1.

3 These services cannot continue without funding for the next state fiscal year.

4 Thank you for the opportunity to provide testimony.



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

March 19, 2018

TO: The Honorable Senator Will Espero, Chair
Senate Committee on Housing

The Honorable Senator Josh Green, Chair
Senate Committee on Human Services

FROM: Pankaj Bhanot, Director

SUBJECT: **HB 2281 HD1 – RELATING TO HOMELESSNESS**

Hearing: Monday, March 19, 2018, 2:45 p.m.
Conference Room 016, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this bill and offers comments. In order to continue the momentum in reducing homelessness DHS Homeless Programs Office (HPO) requires a minimum of \$13.4 million to continue administering the Housing First, Rapid Rehousing, homeless outreach services, and the Family Assessment Center. DHS asks the Legislature to support the Governor's Executive Budget request to address homelessness which includes \$1.5 million to the Hawaii Public Housing Authority (HPHA) for the Rent Supplement program; \$800,000 to the Department of Health (DOH) for homeless outreach, counseling and diversion services for unsheltered persons experiencing substance abuse. DHS also asks the Legislature to support \$29 million in the Executive Budget for HPHA to provide public housing improvements and renovations statewide.

PURPOSE: The purpose of this bill establishes within the Department of Human Services an Ohana Zones program to provide housing to homeless individuals and families based on principles similar to Housing First and appropriates unspecified funds for the

program. Appropriates unspecified funds to the Department of Human Services and the Department of Health to continue to administer various housing and homelessness programs. Appropriates unspecified funds to the Hawaii Public Housing Authority for public housing improvements and renovations statewide and a rent supplement pilot program. (HB2281 HD1)

The State's coordinated effort to end homelessness is moving forward with positive results. In 2017, the Point in Time (PIT) count found that the number of homeless people in Hawaii decreased for the first time in eight years. DHS has worked with the Legislature and other stakeholders to increase resources for permanent housing programs, such as Housing First and Rapid Rehousing.

DHS recently expanded its Housing First program services statewide. From May to December 2017, Housing First served a total of 181 unduplicated households and 24 unduplicated individuals: 87 unduplicated households and 125 unduplicated participants on Oahu; 75 unduplicated households and 88 unduplicated participants on Hawaii Island; 6 unduplicated households and 7 unduplicated participants on Kauai; and 13 unduplicated households and 21 unduplicated participants on Maui.

The State's Rapid Rehousing program provides flexibility that supports those who are homeless or those who are imminently at risk of homelessness. The Rapid Rehousing program allows households to maintain their homes or quickly divert them from utilizing existing homeless programs. These programs are accessible to those who are the most vulnerable and have higher service needs.

Rapid Rehousing is not a one-time payment to cover delinquent rent, utility payments, or first month's rent and security deposits as stated in section one. Rather, the Housing Placement Program or State Homeless Emergency Grant is best used to assist with a one-time payment.

In 2017, the Rapid Rehousing program provided financial assistance to 232 households with 588 individuals. The following is a preliminary list of the average amount of potential expenses. This illustrates how families may use Rapid Rehousing assistance to remain in housing and avoid homelessness:

- Rent = \$657.30;
- Security Deposit = \$724.74;

- Utilities Deposit = \$257.88;
- Rent Arrears = \$950.25; and
- Move in Expense = \$600.00

Also, the Family Assessment Center (FAC) in Kaka‘ako utilizes 'Housing First' principles to quickly move families with minor children off the streets and into permanent housing. FAC opened in September 2016 and served 184 people and placed 35 out of 38 families entering the facility into housing in the first year of opening its doors. The housing placement rate for the center in its first year was 92% (35 out of 38), and families were housed in an average of 82 days.

In addition to quickly moving families with minor children out of homelessness and into permanent housing in its first year, FAC also increased the income for 59% of families through linkages to public benefits, employment, and other critical resources during their stay at the facility.

With regard to section 1, DHS remains unclear and requests clarification of the statement: “principles similar to housing first, but with more flexibility that allows for a higher degree of utilization.” Our current contracts enforces low barrier and accessibility into programs. DHS has found during the process of program monitoring that some agencies have challenges with changes to its response after providing services the same way after many years.

The common challenges identified amongst agencies are: the limited program fees allowed to be collected by a program, providing services to participants who may have mental illness or substance abuse problems, and providing services for participants who are chronically homeless. Prior to the Housing First model, those identified with a higher acuity were not appropriate for services and often times were terminated from a program because of eligibility criteria or behavior issues; these practices resulted in the individual experiencing further homelessness. Furthermore, DHS is concerned that this may allow agencies to be selective in placements into its services and reduce necessary services for the most vulnerable population.

With regard to section 2, we defer to other state departments and counties, as to parcels of land and transportation. DHS is concerned that areas identified are not in areas that

are accessible to participants and will increase cost burdens to other departments. DHS is also concerned that the discharge of medically fragile patients into a setting that may not be accessible will not benefit that population, and specific programming this large requires specific skill sets and qualified expertise.

The best strategy to end homelessness is to find people safe and affordable housing. Housing First is an approach that emphasizes stable, permanent housing as a strategy for ending homeless. Safe zones, encampments, or tent cities created by measures take away that choice, which is the critical component of Housing First. Housing First has been successfully implemented on Oahu and DHS Homeless Programs Office has expanded 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 Ohana Zones proposed in this measure takes away that choice which is the critical component of the success of Housing First.

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

ROBERT K. MASUDA
FIRST DEPUTY

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

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

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Testimony of
SUZANNE D. CASE
Chairperson

Before the Senate Committee on
HOUSING
and
HUMAN SERVICES

Monday, March 19, 2018
2:45 PM
State Capitol, Conference Room 016

In consideration of
HOUSE BILL 2281, HOUSE DRAFT 1
RELATING TO HOMELESSNESS

House Bill 2281, House Draft 1 proposes to establish an 'Ohana Zones program within the Department of Human Services (DHS) and appropriates funding the program and for rapid rehousing, continued outreach services and public housing improvements. **The Department of Land and Natural Resources (Department) supports this measure provided that its passage does not replace or adversely impact priorities indicated in the Governor's Executive Supplemental Budget request. In addition, the Department offers the following comments.**

The Department requests that if its lands are identified as the appropriate place on which to locate 'Ohana Zones, that 1) it be consulted regarding the property, and 2) any properties to be used as 'Ohana Zones be transferred to an agency whose mission better matches the management of these types of zones.

The Department notes many of the properties being identified for 'Ohana zones do not have adequate infrastructure for intensive residential use. Sewer hook-ups can be very expensive, and in rural areas, sewer service is often not available, so septic systems must be installed, again, very costly. Pump-out costs for temporary facilities are also very expensive. The Department is concerned that without an adequate evaluation of sewer, water, drainage and electrical needs for any 'Ohana zone, unexpected costs will arise, in particular costs to our fragile environment. Pollution run-off can further damage our reefs and nearshore habitats as well as making the ocean unsafe for swimming. Untreated waste is a hazard to both humans and animals. The

Department urges the Legislature to carefully consider the full cost of safe zones, as opposed to transitional housing or permanent low-cost housing for the State's homeless population.

Lastly, the Department notes its preference of this measure over House Bill 2753 (RELATING TO HOMELESSNESS), because it take a broader approach to homelessness.

Thank you for the opportunity to comment on this measure.

HB-2281-HD-1

Submitted on: 3/16/2018 10:11:39 PM

Testimony for HOU on 3/19/2018 2:45:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Lance Niimi	Testifying for County of Hawaii Mayor's Office	Support	Yes

Comments:

ear Senator Will Espero, Chair and Senator Stanley Chang, Vice
Chair The Senate Committee on Housing

Dear Senator Josh Gren, Chair and Senator Stanley Chang, Vice Chair: The Senate
Committee on Human Services.

As Mayor Harry Kim's Coordinator for Homelessness for Hawaii County, I support
HB2281 for the following reasons:

1. We have already piloted a mini-version of an Ohana Zone on Hawaii Island called Camp Kikaha in Kailua, Kona and are ready to extend the knowledge gained from running this project to a larger, designated site called Village 9 in an area adjacent (on the Kailua side) of our West Hawaii Civic Center. We are also examining other sites in East Hawaii as well. Through this project we learned: 1) The importance of a thorough Assessment process (Assessment Center Concept), so that those coming to us are assigned to appropriate services and resources to ensure the greatest possibility of success. 2) The value of permanent supportive housing early on so that our clientele may develop a sense of Ohana with those with whom they live and not have those positive relationships disrupted as they move on to higher level shelter opportunities. The supportive element means people with true compassion for the homeless population that we serve who provide counseling support and connection to available resources. 3) If funds are available for an Assessment Center as well as permanent supportive housing, we would start our project utilizing shelter types that could function as emergency as well as permanent structures, are more aesthetic to the beholder than tarps which have a limited lifespan, afford a level of privacy and comfort of a home-like atmosphere, could be constructed in a relatively short period of time, offer true protection from strong winds and heavy winds, not present a fire hazard, and still be affordable, e.g. the Intershelter Domes. 4) Ohana Zones would also provide opportunity where feasible for self-governance which facilitates a sense of ownership, pride, honor and dignity (PhD). 5) Our village site would also encourage self-sufficiency, and be a one stop shop for services, a possible community garden, aquaponics employment training and work opportunities (e.g. to be Uber drivers, play ground for children), etc. 6) Village 9 has already earmarked/funded for an environmental assessment and master plan process which we expect to be completed by July, 2018.

HB2281, Page 5 first paragraph mentions: "This proven model (Family Assessment Centers), can be replicated on the neighbor islands as an effective way to move families with children rapidly to permanent housing. For example, on the island of Hawai'i, a large parcel of land has been set aside to develop housing solutions for homelessness in Kona, where the need for localized services is acute". Page 9, Section 10, specifically mentions appropriation of _____ funds "as may be necessary for fiscal year 2018-2019 for the department of human services to continue to administer the family assessment center for homes families". Through this testimony, Hawaii County is requesting funding for the replication of the Family Assessment Center on Hawai'i Island, this action should be pursued this year, since we already have the land, and we are going through the master planning process and environment assessment. This bill also mentions Ohana Zones which was the basis for our Camp Kikaha in Kona where we have learned much over the past 7 months. Provided that there is the capacity to house the homeless (under government coordination, regulation and support) in adequate shelter (e.g. as specified in HB2014 and HB2753, this bill has merit. If there is no funding, we could begin implementation of such an Assessment Center utilizing collaborative partnership with existing homeless servicing agencies.

Thank you for this opportunity to provide public testimony on this bill.

Sincerely,

Lance Niimi, Homeless Coordinator, County of Hawaii

Aloha United Way
200 N. Vineyard Blvd., Suite 700
Honolulu, Hawaii 96817



Senator Will Espero, Chair
Senator Breene Harimoto, Vice Chair
Senate Committee on Housing

Senator Josh Green, Chair
Senator Stanley Chang, Vice Chair
Senate Committee on Human Services

Re: **HB 2281 HD1 Relating to Homelessness – SUPPORT with Suggested Amendments**
March 19, 2018; 2:45 PM; Conference Room 016

Aloha Chairs Espero and Green, Vice Chairs Harimoto and Chang & Members of the Committees:

Aloha United Way supports the intent of HB 2281 HD1 which appropriates funds for several important homeless programs and establishes an Ohana Zones program. However, Aloha United Way believes that a comprehensive homeless program must include diversion elements to reduce the pipelines feeding our homeless population. Therefore, we ask that you incorporate SB 2027 SD 1 into this bill. Attached are the suggested amendments.

Recently, Aloha United Way released a report titled ALICE: A STUDY OF FINANCIAL HARDSHIP IN HAWAII. ALICE® (Asset Limited, Income Constrained, Employed) are hardworking folks struggling financially from paycheck to paycheck and unable to accrue the assets to enable them to weather a temporary financial setback. The study identified 165,013 ALICE households in Hawaii – 37% of all households. These individuals and families have difficulty covering basic expenses like childcare, food, housing, healthcare and transportation. For ALICE, it takes just one crisis – loss of employment for a short period, an unexpected health emergency or car repair, an increase in monthly rent – to be at even greater risk of long-term problems like homelessness. Current homeless programs funded by DHS have income means testing which limits access to these programs mostly to households near or at federal poverty level. There is very minimal assistance to the rest of the vulnerable group defined by ALICE.

Forty-two percent of households in Hawaii are renters (fourth highest rate in the country) and 54% of these households pay 50% or more of their monthly income for housing (the second highest rate in the country). Further, 63% of households lack emergency savings to deal with an unexpected \$500 expense. These statistics highlight the need for a program that can help a family with a short-term financial crisis weather the setback without becoming homeless.


The Coordinated Statewide Homeless Initiative (CSHI) was an example of an effective diversion program. Initially intended to serve both the homeless and divert those at-risk of becoming homeless, 72% of the households served were at-risk as evidenced by an eviction notice. In 18 months of operation, CSHI assisted 1,610 households (4,944 individuals) by providing total

assistance of \$3.7M. Significantly, on Oahu, CSHI experienced a 97% success rate. Of the 717 diverted households, only 22 (3%) eventually fell into homelessness. Per court records, total evictions on Oahu fell 25% during the CSHI program.

The key learning from the CSHI grant is that for every one homeless person served, there were three individuals in the eviction process. Aloha United Way believes that similar diversion programs must be included in any comprehensive plan to address our homeless issue. Legislation has been introduced to re-establish the diversion portion of CSHI.

Thank you for the opportunity to submit testimony. We ask for your favorable consideration of our requested amendments.

Sincerely,



Cindy Adams
President & CEO

Suggested Amendments to HB 2281 HD1 Relating to Homelessness

Amend Section 1, Page 7, Line 5 by inserting the following:

The legislature also finds that the coordinated statewide homeless initiative, established under the Governor's Emergency Proclamation, has provided important, cost-effective homelessness diversion services and has increased coordination within the homeless service network through the statewide information and referral system on behalf of homeless individuals and those at risk of homelessness. In eighteen months, the initiative provided financial assistance to 1,610 households, assisting 4,944 adults and children who were homeless or at risk of becoming homeless by providing short term assistance to prevent eviction and decreasing the eviction rate in family court by twenty-five per cent.

The legislature further finds that the landlord coordination program, established as a part of the coordinated statewide homeless initiative, reached over seven thousand landlords and led to 1,596 rental placements, which is a critical element of the effort to address the homelessness issue.

Amend Section 1, Page 8, Line 5 by inserting the following:

"...assessment center, the coordinated statewide homeless initiative, the landlord liaison program, the law enforcement ..."

Add a new Section 11 to read as follows:

SECTION 11. There is appropriated out of the general revenues of the State of Hawaii the sum of \$2,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 to continue and improve the coordinated statewide homeless initiative; provided that the following provisions shall apply:

(1) The department of human services shall:

(A) Procure the services of a contractor in accordance with chapters 103D or 103F, Hawaii Revised Statutes;

(B) Oversee the funds expended by the contractor; and

(C) In coordination with the selected contractor, develop policies and procedures for a fair and equitable procurement process for subcontracts made between the contractor and subcontracted provider agencies consistent with the goals of public accountability and public procurement practices;

(2) The contractor shall:

(A) Operate a coalition of agencies providing homeless diversion services for the State by providing short-term financial assistance to households that have entered the eviction process;

(B) Maintain staffing of the homeless coordination center within a statewide telephone information and referral call center system;

(C) Coordinate with the coordinated entry system mandated by the United States Department of Housing and Urban Development to provide navigation services and placement of homeless households into permanent housing;

(D) Provide oversight of provider operations and budget to maximize operational efficiency;

(E) Develop reporting procedures and timelines for providing performance information to respective state agencies;

(F) Provide quarterly reports to the legislature and the department of human services; and

(G) Be accountable for funds expended; and

(3) Administrative, operating, and personnel expenses shall not exceed fifteen per cent of the state award.

The sum appropriated shall be expended by the department of human services for the purposes of this Act.

Add a new Section 12 to read as follows:

SECTION 12. There is appropriated out of the general revenues of the State of Hawaii the sum of \$500,00 or so much thereof as may be necessary for fiscal year 2018-2019 to continue and improve landlord outreach and liaison activities within the coordinated statewide homeless initiative; provided that the following provisions shall apply:

(1) The department of human services shall:

(A) Procure the services of a contractor in accordance with chapters 103D or 103F, Hawaii Revised Statutes;

(B) Have oversight of or manage the funds expended by the contractor; and

(C) In coordination with the homeless programs office, develop policies and procedures for the implementation of a landlord liaison program, which includes recruitment of landlords and procedures for landlords to provide pre-eviction notification and obtain problem-tenant intervention and damage mitigation services;

(2) The contractor shall:

(A) Administer the landlord liaison program within the homeless coordination center established by the department of human services;

(B) Provide staffing for the landlord liaison program and space for the program within or accessible to the homeless coordination center;

(C) Provide connectivity to a statewide telephone information and referral call center system and use this system as the primary link between landlords and the program;

(D) Establish procedures to enable the landlord liaison program to coordinate with the coordinated entry system required by the United States Department of Housing and Urban Development to provide navigation services and placement of homeless households into permanent housing;

(E) Provide oversight of provider operations and budget to maximize operational efficiency;

(F) Develop reporting procedures and timelines for providing performance information to respective state agencies;

(G) Provide quarterly reports to the legislature and the department of human services; and

(H) Be accountable for funds expended; and

(3) Administrative, operating, and personnel expenses shall not exceed fifteen per cent of the state award.

The sum appropriated shall be expended by the department of human services for the purposes of this Act.



THE QUEEN'S HEALTH SYSTEMS

To: The Honorable Will Espero, Chair
The Honorable Breene Harimoto, Vice Chair
Members, Committee on Housing

The Honorable Josh Green, Chair
The Honorable Stanley Chang, Vice Chair
Members, Committee on Human Services

From: 
Paula Yoshioka, Vice President, Government Relations and External Affairs, The
Queen's Health Systems

Date: March 14, 2018

Hrg: Senate Committee on Housing and Committee on Human Services Joint Hearing;
Monday, March 19, 2018 at 2:45 PM in Room 016

Re: **Support for H.B. 2281, H.D. 1 Relating to Homelessness**

My name is Paula Yoshioka, and I am a Vice President at The Queen's Health Systems (Queen's). I would like to express my **support** for H.B. 2281, H.D. 1 Relating to Homelessness. The bill would appropriate funds to support efforts to end homelessness.

The mission of Queen's is to provide quality health care services to improve the well-being of Native Hawaiians and all the people of Hawai'i, which includes our most vulnerable and underserved patient populations like the homeless. Hawaii has the highest per capita rate of homelessness in the nation, with roughly 5,000 homeless individuals heavily distributed on Oahu and concentrated in Honolulu and on the Waianae Coast.^{1,2} An upwards of 64% of all hospital visits by the homeless are at Queen's, where care is delivered at partial or no reimbursement.

There is a high utilization of Emergency Department (ED) resources by homeless individuals for non-emergent needs. Many of our homeless patients are Super Utilizers of the ED and suffer from mental health and substance abuse issues.³ Queen's believes that increasing coordinated care services for our homeless patients and connecting them to community resources such as supportive housing services, social services, behavioral health, etc. will address underlying issues that may stem from their unique circumstances. Therefore, we respectfully request consideration for the inclusion of the Emergency Department Homelessness Assessment Pilot Program from H.B. 1761 (Attachment 1) into the bill.

¹ The Department of Housing and Urban Development, "The 2017 Annual Homeless Assessment Report (AHAR) to Congress", December 2017

² State of Hawaii, Homeless Point-in-Time Count, January 22, 2017

³ HHIC Special Homeless Project, 2016

The mission of The Queen's Health Systems is to fulfill the intent of Queen Emma and King Kamehameha IV to provide in perpetuity quality health care services to improve the well-being of Native Hawaiians and all of the people of Hawai'i.

Further, Queen's believes that community partnerships to provide medical respite is critical in the healing process for our homeless patients, who require additional time to recover in a more appropriate level of care setting after their acute care treatment. We would appreciate the committee's consideration of establishing a pilot program for medical respite care for the chronically homeless to leverage community-based resources. (Attachment 1) Those who experience homelessness deserve to have access to community resources and the care they need in more appropriate settings.

The costs to the entire continuum of care—from hospitals to long-term care facilities to home-based services—of treating the homeless population are large and growing. There are still unmet needs for our homeless patients and while Queen's has been a leader in care coordination, we know that much more needs to be done within the community to close the gaps in services and supports for our homeless population. Thank you for your time and attention to this important issue.

ATTACHMENT 1

Testimony: The Queen's Health Systems

Proposed Language from HB 1761: Request to Add to HB 2281

Section XX- Add:

In addition to the harm that homelessness inflicts on individuals, there are hidden costs of homelessness that are borne by the community. The over-utilization of emergency department services for non-emergency conditions by individuals experiencing homelessness puts upward pressure on medical costs for everyone.

Based on publicly available statistics, the outlook at emergency departments is worsening. Hawaii Health Information Corporation estimated that Hawaii's hospitals statewide had around fifteen thousand nine hundred emergency department visits by patients experiencing homelessness in 2015. By the end of fiscal year 2016, Queen's Medical Center's emergency department alone logged almost eleven thousand visits by individuals experiencing homelessness. Further, between September 1, 2016, and November 30, 2016, at the Queen's Medical Center, thirty-nine individuals experiencing homelessness accounted for approximately seven hundred thirty-four emergency department visits.

The need for Medical Respite care for individuals experiencing homelessness is a critical part of the continuum of care for this population. Once individuals experiencing homelessness are ready for discharge from a hospital, many times they do not have a place to go to complete their post-acute care recovery. Medical Respite facilities not only provide emergency shelter, they also serve as a "place of healing". Eligible guests are able to recover from acute conditions of medical, surgical or psychiatric nature.

The legislature finds that it is in the public's interest to explore methods to mitigate the increasing cost of medical care due to the unnecessary use of emergency department visits by patients experiencing homelessness as well as ensuring they have a place to go to complete their post-acute care recovery and will receive transitional services into the community.

Additionally, the legislature finds that identifying patients experiencing and at risk for homelessness in emergency departments and conducting individualized assessments of those patients may increase the likelihood that those patients will receive referrals to services that address their particular situations. The legislature further finds that providing these patients with referrals to Medical Respite facilities with appropriate social services and other necessary services, such as preventative medical care and mental health treatment, may decrease the number of unnecessary, repeated emergency department visits by patients experiencing homelessness.

The purpose of this Act is to:

- Establish a pilot program to place social workers and social worker designees in emergency departments to identify individuals experiencing or at risk for homelessness and provide individualized assessments and referrals for wrap-around social services with a goal of reducing costs associated with chronic use of emergency departments;
- Establish a pilot program for Medical Respite in the community that will offer medical, nursing, psychiatric, and other care in at least two sites for accommodations for individuals experiencing homelessness discharged from a hospital.

SECTION XX. Definitions. For purposes of this Act:

"Emergency department" means a department in a hospital designated to provide critical care to stabilize and support a patient's condition due to sudden illness or injury.

"Governing body" means the policy making authority, whether an individual or a group, that exercises general direction over the affairs of a facility and establishes policies concerning its operation and the welfare of the individuals it serves.

"Hospital" means any institution with an organized medical staff which admits patients for inpatient care, diagnosis, observation, and treatment.

"License" means a license issued by the relevant department regulating the profession at issue that certifies that an individual practicing the profession is in compliance with all existing state and federal laws and rules.

"Medical Respite" means acute and post-acute medical care for homeless persons who are too ill or frail to recover from a physical illness or injury on the streets but are not ill enough to be in a hospital.

"Medical Respite facility" means a facility that provides acute and post-acute medical care for homeless persons who are too ill or frail to recover from a physical illness or injury on the streets but are not ill enough to be in a hospital.

"Medical staff" means physicians and other individuals licensed by the State, who are permitted by law and who have been authorized by the governing body to provide patient care services within a facility.

"Physician" means a doctor of medicine or osteopathy licensed by the Hawaii medical board pursuant to chapter 453, Hawaii Revised Statutes.

"Social worker" means the same as in section 467E-1, Hawaii Revised Statutes.

"Social worker designee" means a staff person other than a social worker but with similar professional qualifications, such as nursing, psychology, psychiatry, counseling, or human development, and two years of social work supervised experience in a health care setting working directly with individuals and who is supervised by means of consultation with a social worker.

SECTION XX. (a) There is established within the department of health for administrative purposes a pilot program to be known as the emergency department homelessness assessment

pilot program. The department of health, in consultation with Hawaii interagency council on homelessness and any other appropriate agency, shall serve as the administrator of the pilot program.

(b) A participating hospital in the pilot program shall place social workers or social worker designees in its emergency departments. The social workers or social worker designees shall identify patients experiencing homelessness or patients at risk of experiencing homelessness, assess the patients' current circumstances, and refer those patients to appropriate and available social services with a goal of reducing costs associated with chronic use of emergency departments.

The social workers and social worker designees who provide services as part of this pilot program shall be employees of the participating hospital or individuals who are otherwise permitted by law and the governing body of a hospital to provide social services in the hospital.

(c) Each participating hospital shall submit qualitative and quantitative data as determined by the department of health to the department of health to demonstrate whether there is any correlation between interventions by social workers or social worker designees and the repeated use of emergency departments by patients experiencing homelessness.

(d) The department of health shall submit a report to the legislature no later than twenty days prior to the convening of the regular session of 2019. The report shall contain a summary and explanation of the data submitted by participating hospitals regarding the efficacy of emergency department intervention by social workers and social worker designees in mitigating the number of unnecessary emergency department visits by patients experiencing homelessness or patients at risk of experiencing homelessness. The report shall also contain findings and recommendations, including any proposed legislation, for continuation, modification, or termination of the pilot program.

(e) The emergency department homelessness assessment pilot program shall cease to exist on June 30, 2019.

SECTION XX. (a) There is established within the department of health for administrative purposes a pilot program to be known as the Medical Respite pilot program. The department of health, in consultation with Hawaii interagency council on homelessness and any other appropriate agency, shall serve as the administrator of the pilot program.

(b) A participating community human services provider in partnership with a hospital in the pilot program shall provide emergency housing for eligible individuals experiencing homelessness discharged from the participating hospital and will include but not limited to meals, case management, medical, nursing, and psychiatric care.

(c) The Medical Respite facilities utilized shall:

- Be ADA accessible for at least two residents;
- Be in compliance with existing standards of State safety codes and local, and/or State health and sanitation codes;
- Be kept clean and free of bed bugs, dirt, grime, mold, or other hazardous substances that detract from a healthy environment;
- Be equipped with first aid equipment and an evacuation plan in the case of an emergency;

(d) The department of health shall submit a report to the legislature no later than twenty days prior to the convening of the regular session of 2019. The report shall contain findings relating to the number of individuals experiencing homelessness referred to the program, average length of stay, and average occupancy level. The report shall provide recommendations, including any proposed legislation, for continuation, modification, or termination of the pilot program.

(e) The Medical Respite pilot program shall cease to exist on June 30, 2019.

SECTION XX. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ 600,000 or so much thereof as may be necessary for fiscal year 2018-2019 to the department of health for implementation of the emergency department homelessness assessment pilot program, including all program costs and hiring of necessary staff.

The department of health shall reimburse participating hospitals for expenses directly related to the emergency department homelessness assessment pilot program; provided that no funds shall be disbursed to participating hospitals unless matched on a dollar-for-dollar basis by the participating hospital. All funds designated as matching funds by the participating hospital shall be funds expended by the participating hospital for the pilot program.

There is appropriated out of the general revenues of the State of Hawaii the sum of \$ 600,000 or so much thereof as may be necessary for fiscal year 2018-2019 to the department of health for implementation of the Medical Respite pilot program, including all program costs and hiring of necessary staff.

The department of health shall reimburse participating community human services providers in partnership with a participating hospital for expenses directly related to the Medical Respite pilot program; provided that no funds shall be disbursed to participating community human services providers in partnership with a participating hospital unless matched on a dollar-for-dollar basis by the participating community human services providers in partnership with a participating hospital. All funds designated as matching funds by the participating community human services providers in partnership with a participating hospital shall be funds expended by the participating community human services providers in partnership with a participating hospital for the pilot program.

The sum appropriated shall be expended by the department of health for the purposes of this Act.

SECTION XX. This Act shall take effect upon its approval; provided that section 4 shall take effect on July 1, 2018.

COMMUNITY ALLIANCE ON PRISONS

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COMMITTEE ON HOUSING

Sen. Will Espero, Chair

Sen. Breene Harimoto, Vice Chair

COMMITTEE ON HUMAN SERVICES

Sen. Josh Green, Chair

Sen. Stanley Chang, Vice Chair

Monday, March 19, 2018

2:45 pm

Room 016

STRONG SUPPORT FOR HB 2281 HD1 - PARTICULARLY SECTION IX - LEAD

Aloha Chairs Espero & Green, Vice Chairs Harimoto & Chang and Members of the Committees!

My name is Kat Brady and I am the Coordinator of Community Alliance on Prisons, a community initiative promoting smart justice policies in Hawai'i for more than two decades. This testimony is respectfully offered on behalf of all the people who have died in our facilities including, JESSICA FORTSON, JOEY O'MALLEY, DAISY KASITATI, ASHLEY GREY. and the approximately 5,500 Hawai'i individuals living behind bars or under the "care and custody" of the Department of Public Safety on any given day. We are always mindful that approximately 1,600 of Hawai'i's imprisoned people are serving their sentences abroad thousands of miles away from their loved ones, their homes and, for the disproportionate number of incarcerated Kanaka Maoli, far, far from their ancestral lands.

Community Alliance on Prisons is in strong support of this measure that addresses the needs of some of the most vulnerable people in our community. We especially LOVE Section IV that allocates funds to the Department of Health to continue the LEAD Chinatown pilot program. This community-initiated project with 30 state, county, and community partners who came together as the LEAD Hawai'i Hui has been such a bright light for our community. CAP has been an active member of the Hui since its inception. The goals of LEAD are:

- REORIENT the government's responses to safety, disorder, and health-related problems
- IMPROVE public safety and public health
- REDUCE the number of people entering the criminal justice system for low-level offenses
- UNDO racial disparities in our criminal justice system, particularly among Native Hawaiians
- SUSTAIN funding for alternative interventions
- STRENGTHEN the relationship between law enforcement and the community

The evaluations for Seattle's LEAD program <http://leadkingcounty.org/lead-evaluation/> show that LEAD participants are 58% less likely to be arrested after enrollment; spend significantly fewer days in jail after entering the program; obtained housing if they were experiencing homelessness prior to LEAD; receive mental health and drug treatment, legal assistance, and help obtaining identification.

The support for LEAD is broad and we urge the committees to support these vital services for some of our most vulnerable community members by passing this bill and urging its adequate funding. Mahalo for the opportunity to testify.

Being homeless is like living in a post-apocalyptic world. You're on the outskirts of society.

Frank Dillane



CATHOLIC CHARITIES HAWAII

COMMENTS on HB 2281, HD1: RELATING TO HOMELESSNESS

TO: Senator Will Espero, Chair, Senator Josh Green, Chair, and Members,
Committees on Housing and Human Services
FROM: Terrence L. Walsh, Jr., President and Chief Executive Officer
Hearing: **Monday, 3/19/18; 2:45 PM; CR 016**

Chair Espero, Chair Green, and Members, Committees on Housing and Human Services:

Thank you for the opportunity to provide Comments on **HB 2281, HD1**, which would establish an Ohana Zones Program within the Department of Human Services, and fund this program as well as other homeless services and public housing improvements, etc. I am Terry Walsh, with Catholic Charities Hawai'i. Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for over 60 years. We provide a wide range of services to homeless persons, the elderly, immigrants, families and youths. We also operate the Kakaako Family Assessment Center.

We agree with the legislature's findings that homelessness is one of the most pressing problems in Hawai'i and requires a robust, comprehensive effort to increase the pace at which our State addresses homelessness. We support funding for the comprehensive programs in this bill that have been proven effective. From rapidly repairing public housing units to Outreach that helps homeless people navigate into housing, to Housing First, to Rapid Rehousing, and vital rental subsidies to fill the gap in affordability, these services are critical to the State addressing homelessness. We need to prevent substance abusers from falling into the criminal justice system via the Law Enforcement Assisted Diversion program—reducing the flood of homeless into the criminal justice system.

Based on our long-term support for homeless services and creating pathways into permanent housing, we would like to offer these comments:

- We are concerned that new solutions for homelessness not impact on funding for current ongoing services which are effectively moving people into housing.
- The state must continue a strong focus on creating permanent housing. Once people are living in Ohana Zones, where will they go? We are concerned that the high cost to set up and operate these Ohana Zones will impact on the ability of the State to fund permanent housing resources via programs like the Rental Housing Revolving Fund. Both may be needed, but the future lies in a strong commitment to funding new permanent rentals.
- Legislation for Ohana Zones must be flexible to allow the State to find creative solutions that meet the needs of different sub-populations and needs on different Hawaiian islands.
- We urge a strong focus on housing navigation and development of supports needed to obtain and maintain permanent housing.
- RE: the "state rent supplement pilot program" in Section 7: this new pilot program is also contained in two other bills (SB 2401 and SB 2989), where the program is called, "**Housing Homeless Children**". **We suggest amending the bill to use this title for the program, to avoid confusion with other rent supplement programs at the Hawaii Public Housing Authority.**



Thank you for considering our concerns. We appreciate your dedication to ending homelessness and taking a wide view of solutions.

Please contact our Legislative Liaison, Betty Lou Larson, at bettylou.larson@catholiccharitieshawaii.org, or 373-0356 for any questions.

HB-2281-HD-1

Submitted on: 3/17/2018 9:36:27 PM

Testimony for HOU on 3/19/2018 2:45:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Sylvia Dolena	Testifying for Pele Lani Farm LLC	Support	No

Comments:

Please show Aloha to our homeless.

We, as the Aloha State, need to be the role-models for how our destitute and homeless are treated. Let's show the world that we stand for our principles. Mahalo.



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

**TESTIMONY FOR HOUSE BILL 2281, HOUSE DRAFT 1, RELATING TO
HOMELESSNESS**

**Senate Committee on Housing
Hon. Will Espero, Chair
Hon. Breene Harimoto, Vice Chair**

**Senate Committee on Human Services
Hon. Josh Green, Chair
Hon. Stanley Chang, Vice Chair**

**Monday, March 19, 2018, 2:45 PM
State Capitol, Conference Room 016**

Honorable Chair Espero, Chair Green, and committee members:

I am Kris Coffield, representing IMU Alliance, a nonpartisan political advocacy organization that currently boasts over 400 members. On behalf of our members, we offer this testimony in support of House Bill 2281, HD 1, relating to homelessness.

According to the 2017 statewide *Point In Time Count* (PITC) report, 7,220 houseless persons were counted on a single night in January last year, down 9 percent overall from 2016. Yet, O’ahu experienced a 0.4 percent *increase* from the previous year, with 4,959 people counted, up from 4,940 the year before. Hawai’i island saw the largest decrease in its homeless population, which fell 32 percent, or 441 people. Maui County had a 22 percent drop, or 249 people, while Kaua’i saw a 7 percent drop, or 30 fewer homeless people. Notably, the size of the houseless population on O’ahu is up more than 25 percent from 2009, when 3,638 homeless people were counted. Additionally, Department of Education officials have estimated that between 3,500-4,000 public school students experience homelessness at some point during the school year—last year’s PITC captured just over half of them—and over 91,000 students are economically disadvantaged. We know, then, that our state’s homeless population is consistently larger than the statistics show. It remains the highest per-capita homeless population in the country, according to the U.S. Department of Housing and Urban Development.

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 of runaway children will be approached for sexual exploitation within 48 hours of being on the run, with over 80 percent being approached for the commercial 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 actual 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 find innovative ways to fund homeless services, especially human services, health care, outreach, and rapid rehousing to our state’s unsheltered and at-risk population, many of whom are gainfully employed and contributing our economy. Moreover, 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 6 percent in the summer of 2017 to a record \$425,000, while the median price for single-family homes increased by 3 percent to \$795,000, according to the Honolulu Board of Realtors, a number that they expect to increase by at least another 5 percent in 2018. Average fair market rent for two-bedroom apartments in *outlying* communities in the City and County of Honolulu now exceeds \$2,000, with the cost of a four-bedroom home in urban Honolulu now exceeding \$1.1 million. At least 43 percent of residences in Hawai’i are owner unoccupied, according to the National Low-Income Housing Coalition, meaning that nearly 50 percent—and by some estimates over half—of Hawai’i’s homes are likely 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 2017* report found that a full-time worker would need to earn \$35.20/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 \$2,000 in recent years, with minimum wage workers needed to log 116 hours per week at their jobs to afford a modest one-bedroom apartment at fair market value and 139 hours per week to afford a two-bedroom—a number that is equivalent to working 20 hours a day with no days off year-round. In the past three years alone, Honolulu rent has increased by more than 25 percent. While 43 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 \$15.64/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, a number that rises to 83 percent of extremely low-income households. 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 services that show aloha for our economically disadvantaged neighbors. Establishing ohana zones for the homeless is a positive step, which will allow for the coordination of a centralized continuum of care (including social and medical services) and implementation of strategies to assist people in transitioning into more permanent shelter, while respecting homeless communities that have come together to help one another in a manner that is equivalent to the formation of a family. Appropriating additional funds for statewide homeless services will likewise amplify our effort to show aloha to our economically disadvantaged neighbors.

When you fund housing, outreach, and human services for the homeless, you are helping to end slavery in Hawai'i. Mahalo for the opportunity to testify in support of this bill.

Sincerely,
Kris Coffield
Executive Director
IMUAlliance

HB-2281-HD-1

Submitted on: 3/18/2018 3:06:56 PM

Testimony for HOU on 3/19/2018 2:45:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Mike Goodman	Testifying for Hawaii Kai Homeless Task Force	Support	No

Comments:

We are primarily interested in supporting HB2014, because it is a comprehensive, 100% solution to the homeless housing inventory shortage. However, we support this bill, because it can provide interim relief to people living on the streets, whose only other choice at this time are homeless shelters. We would suggest however, combining the goals of this bill with HB2014, so that Ohana Zones would be created as a first stage of construction, towards eventually becoming a homeless village with permanent, low-cost, high-tech modular dwellings as specified under HB2014. Residents could move onto permanent home-sites in Ohana Zones in tents, that would gradually be replaced by permanent dwellings. That means any money spent on Ohana Zones would be a "down payment" towards permanent housing. Instead of eventually transitioning residents from Ohana Zones into permanent brick and mortar housing, bring the permanent housing to the residents, using modular dwellings that cost 94% less than brick and mortar.

HB-2281-HD-1

Submitted on: 3/18/2018 6:01:01 PM

Testimony for HOU on 3/19/2018 2:45:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	Testifying for OCC Legislative Priorities Committee, Democratic Party of Hawai'i	Support	No

Comments:

To the Honorable Will Espero, Chair; the Honorable Breene Harimonto, ViceChair, and Members of the Senate Committee on Housing:

To the Honorable Josh Green, Chair; the Honorable Stanley Chang, Vice-Chair, and Members of the Committee on Human Services:

Good afternoon, my name is Melodie Aduja. I serve as Chair of the Oahu County Committee ("OCC") on Legislative Priorities of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on **HB2281 HD1** regarding Homelessness; Housing; DHS; DOH; HPHA; Outreach; Rapid Rehousing; State Rent Supplement; Housing First; Ohana Zones; Oahu Family Assessment Center; Law Enforcement Assisted Diversion Program; and an appropriation.

The OCC Legislative Priorities Committee is in favor of **HB2281 HD1** and support its passage.

HB2281 HD1 is in accord with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it establishes within the Department of Human Services an Ohana Zones program to provide housing to homeless individuals and families based on principles similar to Housing First and appropriates unspecified funds for the program; appropriates unspecified funds to the Department of Human Services and the Department of Health to continue to administer various housing and homelessness programs; and appropriates unspecified funds to the Hawaii Public Housing Authority for public housing improvements and renovations statewide and a rent supplement pilot program.

Specifically, the DPH Platform provides that we "believe in the concept of "Housing First" to develop affordable, stable housing and support services to break the cycle of homelessness for people with the fewest housing options.

We support dedicated social services and housing opportunities for Hawaii's homeless population to get them off the streets and reintegrated into society, with specific devoted services for disenfranchised groups including but not limited to, the Hawaiian community, aged-out foster kids, youth, returning veterans, the aged, and lesbian, gay, bisexual and transgender homeless." (Platform of the DPH, P. 7, Lines 352-358 (2016)).

Given that **HB2281 HD1** establishes within the Department of Human Services an Ohana Zones program to provide housing to homeless individuals and families based on principles similar to Housing First and appropriates unspecified funds for the program; appropriates unspecified funds to the Department of Human Services and the Department of Health to continue to administer various housing and homelessness programs; and appropriates unspecified funds to the Hawaii Public Housing Authority for public housing improvements and renovations statewide and a rent supplement pilot program, it is the position of the OCC Legislative Priorities Committee to support this measure.

Thank you very much for your kind consideration.

Sincerely yours,

/s/ Melodie Aduja

Melodie Aduja, Chair, OCC Legislative Priorities Committee

Email: legislativepriorities@gmail.com, Text/Tel.: (808) 258-8889

March 19, 2018

LATE

TO: Senator Will Espero,
Chair, Senate Committee on Housing
Senator Josh Green,
Chair Senate Committee on Human Services

FROM: Phyllis Dendle

Re: HB 2281 HD1 Relating to Homelessness
Restoration of basic adult dental benefits to Medicaid enrollees

Aloha Chairs Espero and Green:

I request you please include an amendment in HB 2281 HD1 Relating to Homelessness.

Poor dental health has a dramatic impact on people who are seeking to escape homelessness. A person can be capable, adequately educated and experienced and even well dressed but if, when they speak or smile their mouth is full of decaying or missing teeth, they are unlikely to be hired. It is increasing clear that Medicaid dental coverage for adults is not just a health issue but also an economic issue. It is essential that our citizens who are covered by Medicaid have access to basic dental care.

I suggest for your consideration the following amendment.

SECTION . There is appropriated out of the general revenues of the State of Hawaii the sum of \$4,750,000 or so much thereof as may be necessary for fiscal year 2018-2019 to restore basic adult dental benefits to medicaid enrollees. The department of human services shall obtain the maximum federal matching funds available for this expenditure.

The sum appropriated shall be expended by the department of human services for the purposes of this section.

Thank you for your consideration.