

DAVID Y. IGE
GOVERNOR



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STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
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February 19, 2020

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

FROM: Pankaj Bhanot, Director

SUBJECT: **HB 2526 HD1 – RELATING TO THE DEPARTMENT OF HUMAN SERVICES**

Hearing: February 20, 2020, 1:00 p.m.
Conference Room 308, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports this bill.

At this writing, we do not have access to the budget worksheets for the executive budget bill HB2200 HD1; we provide additional information regarding budget items requested in the supplemental budget requests for FY 2020-2021 for information and to facilitate discussion.

DHS also comments that the preference is to have the federal ceiling increases be included in the executive budget bill to support program continuity.

DHS appreciates the amendments of the Committee on Human Services & Homelessness which adds transportation to and from the Department of Health's short-term stabilization bed facilities to the \$5,000,000 appropriation for homeless services (HMS224) for stored property and debris removal services for state lands. We defer to the Departments of Health and Transportation regarding the amount required for transportation.

PURPOSE: Appropriates funds for the operating budget of the department of human services for fiscal year 2020-2021. Takes effect on December 31, 2059. (HD1)

- **SECTION 1. There is appropriated out of the moneys in the treasury received from federal funds the sum of \$70,552 or so much thereof as may be necessary for fiscal year 2020-2021 for homeless services (HMS224) for increased expenditures levels for federal funds.**

This request is to raise the federal fund ceiling by \$70,552 to increase the ability to draw down available federal match funds.

- **SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$58,848 or so much thereof as may be necessary for fiscal year 2020-2021 for child protective services (HMS301) to establish two full-time equivalent (2.0 FTE) permanent positions to support the East Hawaii child welfare services section pilot project.**

This request will establish an Assistant Section Administrator and a Social Service Assistant V in East Hawaii to provide the Section Administrator and Supervisors with administrative support, including but not limited to tracking and monitoring section outcomes for Continuous Quality Improvement (CQI) and Program Improvement Plan (PIP); coaching to support transfer of learning after the completion of trainings; organizing and leading targeted roll-outs of new policies; and tracking changes in practice. This will allow supervisors to focus on clinical supervision with their workers to support case decision making and case direction. The added supervision will support staff morale and retention.

- **SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$570,000 or so much thereof as may be necessary for fiscal year 2020-2021 for general support for self-sufficiency services (HMS903) to increase the general funds and the federal ceiling for homeless shelter after-care services.**
- **SECTION 4. There is appropriated out of the moneys in the treasury received from federal funds the sum of \$1,330,000 or so much thereof as may be necessary for fiscal year 2020-2021 for general support for self-sufficiency services (HMS903) to increase the general funds and the federal ceiling for homeless shelter after-care services.**

Sections 3 and 4 reflect part of the department's request for appropriations to provide after-care services for families with children who have exited from a homeless shelter. Currently, shelter services are only provided when families are temporarily residing in the shelter. The continuum of care to include after-care extended shelter services will allow families to transition and settle into longer-term housing and provide the opportunity for the

families to receive additional resources, referrals, and support such as social capital to ensure they do not return to being homeless.

The requested federal funds are currently available from the Federal TANF Block Grant. State funded expenditures will be claimed to meet Hawaii's State TANF¹ Maintenance of Effort (MOE) requirement. We estimate about 70% of the families that may receive shelter services would be eligible for federally-funded services; therefore, 30% of the projected cost will need to be funded with general funds as these families may not be eligible for federal funds.

This request includes the general funds necessary to provide services for families that may not be eligible for federal TANF funds, those families include two-parent citizen households, non-citizen households, and mixed citizenship households. It is important to recognize that Hawaii's general funded program, Temporary Assistance of Other Need Families (TAONF) program, exactly mirrors the TANF program except that TAONF serves Hawaii families from two-parent citizen, single or two parent non-citizen, and single or two parent mixed citizenship households. The general funds used for TAONF serves as the bulk of the State's MOE required for the State to receive any TANF funds.

- **SECTION 5. There is appropriated out of the general revenues of the State of Hawai'i the sum of \$350,000 or so much thereof as may be necessary for fiscal year 2020-2021 for homeless services (HMS224) for the state homeless database and maintenance.**

This request is for a State Homeless database and for its maintenance. This State database is imperative to understand the size, characteristics, and needs of the homeless population at the local, state, and national levels. The information is also used to complete various required State and Federal reports. The State Homeless database is now necessary as the previous single statewide Homeless Management Information System (HMIS) owned by the State's two Continuum of Care (CoC) organizations was bifurcated into a system for homeless services provided on Oahu and a system for the homeless services on Kauai, Hawaii, and in Maui county. Consequently, DHS Homeless Programs Office is now required to have its own database to receive data from both systems to provide necessary contractual oversight and program analytics.

¹ Temporary Assistance for Needy Families (TANF) is federally funded, time limited, cash assistance program for families with minor children. TANF requires non-disabled parents to engage in work activities as a program requirement.

- **SECTION 6. There is appropriated out of the general revenues of the State of Hawaii the sum of \$5,000,000 or so much thereof as may be necessary for fiscal year 2020-2021 for homeless services (HMS224) for stored property and debris removal services for state lands, and transportation to and from the department of health's short-term stabilization bed facilities. (HD1)**

The initial request was projected to maintain a stored property program statewide, to address unauthorized encampments on state lands. Through a Memorandum of Understanding, these funds will be transferred to the Department of Transportation and will be used to contract a vendor for stored property, purchase necessary supplies and equipment to support property storage and debris removal activities, and will support the installation of signage and fencing to prevent encampments from becoming established. The stored property program is critical to maintain lands under the State's jurisdiction and to prevent litigation for potential due process violations. In other jurisdictions, communities that did not have a process and program in place for stored property on public lands have been vulnerable to litigation. Maintaining temporary property storage is consistent with the evolving best practice to deal with homelessness in a compassionate and respectful manner.

Regarding the share of transportation costs, we defer to the Departments of Health and Transportation.

Additional items requested in the supplemental budget are attached.

Thank you for the opportunity to testify on this bill.

DHS SUPPLEMENTAL FY 2021 BUDGET REQUEST

(These items were not specifically mentioned at the 2/5/20 decision making on HB2200.)

Office of Youth Services (OYS)

HMS 501 – OYS

PRIORITY		Program ID	Description	MOF	FTE (P)	FTE (T)	\$ Amount
6	OYS	501YA-01	Funds to continue Juvenile Justice System Improvement	A			450,000

501YA-01 - Funds to continue Juvenile Justice System Improvement

PRIORITY NO. 6

Act 201, SLH 2014, provided funding for juvenile justice reform to improve and enhance Hawaii's juvenile justice system, including strengthening community supervision and probation practices, sustaining effective practices, and reducing the reliance on secure confinement.

The 26% reduction in admissions to the Hawaii Youth Correctional Facility (HYCF) is one of the concrete results of Act 201, SLH 2014. Act 119, SLH 2015, transferred \$600,000 from HMS503 (HYCF) to HMS501 (OYS) to invest in up-front services to strengthen the juvenile justice system reform efforts. Act 126, SLH 2015, appropriated another \$1.2M (non-recurring funds) for FB16-17 to match the initial funding of Act 201, SLH 2014. However, for FB18-19, the Legislature did not include an appropriation of \$1.2 million, resulting in decreased funding for community-based services to address truancy, substance abuse, and probation compliance.

This request will allow for the continuation of efforts to sustain improvements at various points in the juvenile justice system, including continued funding for gender specific therapeutic services in partnership with the Judiciary's 5th Circuit Girl's Court; immediate in-home family intervention services to prevent out-of-home placements for youth involved with the juvenile justice system; ongoing quality assurance process for residential and detention facility; and professional development opportunities for restorative justice.

Trade-off / Transfer & Conversion of Unbudgeted Positions Requests

DHS PRIORITY		Program ID	Description	MOF	FY2021		
					FTE (P)	FTE (T)	\$ Amount
2	OYS-HYCF	503YB-01	Transfer residual YCO salaries to Other Current Expenses	A			(27,120)
							27,120

This request is to re-describe two Youth Correctional Officer (YCO) positions to two Institution Farm Activity Leader positions. More farm activity leaders are needed in anticipation of creating a commercial entrepreneurship based on the HYCF Farm and Ranch. The farm unit personnel needs to increase to handle the growth of the current cattle herd and multiple farming, including hydroponic and aquaponic, projects. The transfer residual YCO salaries of \$27,120 from personal

services to other current expenses will be used to offset the increased utility costs due to expansion of farming activities.

HMS 903 – General Support for Self Sufficiency Services

DHS PRIORITY	Program ID	Description	MOF	FY2021		
				FTE (P)	FTE (T)	\$ Amount
5	BESSD	903FA-01	Add'l General Funds & Federal Ceiling Increase for Exit and Retention Bonus Payments	A		225,120
				N		900,480

903FA-01 - General Funds and Federal Ceiling Increase for Exit and Retention Bonus Payment PRIORITY NO. 5

Act 128, SLH 2018, re-established the Exit and Retention Bonuses program in BESSD. The 2018 Legislature appropriated funds to make required system changes to administer the program, however, it did not make an appropriation for the benefits; this request is to fund the program benefits.

Previously, the Exit and Retention Bonuses program was established under the "Reward Works" initiative in 2009. Employed TANF recipient families who successfully exit TANF due to earnings, were eligible to apply for the exit bonus. These families were also eligible to apply for additional bonuses if they maintained their employment status for 3 months, 6 months, 12 months, and 24 months. The retention bonuses increased as the retention period increased. Though highly successful, due to lack of funds, the Exit and Retention Bonuses ended in 2012.

The modifications to the HANA system are projected to complete in March 2020, and the adoption of the proposed rule amendments is projected for June 2020. The implementation of the Exit and Employment Retention Bonus Program may be implemented in early SFY 2021, provided funds for the bonus payments are appropriated.

We estimate about 80% of the 1,050 would be eligible for federally-funded bonuses; therefore, 20% of the projected bonus payments will need to be funded with General funds. First year SFY 2021, \$900,480 should be funded with federal TANF funds and \$225,120 with general funds.

Division of Vocational Rehabilitation (DVR)

HMS 238 – Disability Determination

DHS PRIORITY	Program ID	Description	MOF	FY2021		
				FTE (P)	FTE (T)	\$ Amount
20	DVR	238GB-01	N	(1.00)		(48,384)
25	DVR	238GB-02	N	(1.00)		(91,718)

HMS 802 – Vocational Rehabilitation

DHS PRIORITY		Program ID	Description	MOF	FY2021		
					FTE (P)	FTE (T)	\$ Amount
20	DVR	802GA-04	Establish and Fund 1.00 Permanent SSA III Position (#23609) on Maui. Companion 238GB-01.	A	0.33		10,375
				N	0.67		33,704
21	DVR	802GA-02	State Appropriation and Conversion of Four Temporary Positions to Permanent Positions	A	1.32	(1.32)	55,784
				N	2.68	(2.68)	
23	DVR	802GA-03	Correction for Position Number 15811 and Pseudo Number 92049K	A	(0.33)	0.33	
				N	(0.67)	0.67	
NA	DVR	802GA	Housekeeping – clean-up of HMS 802 FTEs	A	(0.45)		
				N	0.45		

238GB-01 & 802GA-04 - Transfer permanent Office Assistant III 23609 position from HMS 238 to HMS 802.

PRIORITY NO. 20

The permanent Office Assistant III position (#23609) has been vacant since 2003 because HMS 238 did not receive hiring authority from the Social Security Administration, the program’s funding source. In 2005, HMS 238 transitioned to electronic processing, thus, the OA III position is no longer needed to provide clerical support for the two sections.

This request is to re-describe an Office Assistant III position to a Social Service Aid III position and transfer the position from HMS 238 to HMS 802. This position is needed for DVR's Maui Branch to support individuals with disabilities in Maui County needing vocational rehabilitation services to obtain competitive integrated employment on par with individuals without disabilities. Currently, Maui County residents with disabilities have higher unemployment rates, and/or are not engaged in pursuing employment; it is a goal of DVR to build parity in Hawaii's workforce for individuals with disabilities. The SSA III position will improve DVR's efforts to provide timely and quality services to individuals with disabilities to prepare for, obtain, and maintain employment.

238GB-02 - Transfer and Adjust MOF-FTE for 1.00 Perm Information Technology Band B (51830) w/ companion request 904AA-08

PRIORITY NO. 25

Position number 51830 - Information Technology Band B, Systems Analyst was an IT position in the Division of Vocational Rehabilitation (DVR). The Social Security Administration (SSA) ceased 100% funding, MOF N, for this position effective February 28, 2019. This position is vital to DVR and needs supervision and direction from the DHS Office of Information & Technology (OIT). This request is to transfer this position from HMS802 to HMS904 with split funding, 65% MOF A and 35% MOF N.

802GA-02 - State Appropriation and Conversion of Four Temporary Positions to Permanent Positions

PRIORITY NO. 21

DVR is requesting the conversion of four (4.00) temporary positions to permanent status: 1) Position number 120668 - Office Assistant III; 2) Position number 120738 - Office Assistant III; 3) Position number 120754 - Vending Facilities Specialist III; and 4) Position number 120762 - Vocational Rehabilitation Specialist IV. The temporary positions are difficult to fill and retain because of the temporary nature and today's tight labor market. When an internal permanent position becomes available, the trend has been that individuals in the temporary position apply for and are offered a permanent position within DVR or another DHS division or State agency, leaving DVR's temporary position vacant, initiating another recruitment process to fill the temporary position. The approval for this request for conversion will assist DVR in providing sustained services, increase the types of services and number of consumers served through the mandated partnering with the Department of Education, Department of Labor, and Department of Health. The permanent staff will assist the Division in meeting these efforts and serving additional consumers.

These four positions were authorized as 100% federally-funded by Act 103, SLH 2012. Then, these positions were converted from 100% federally-funded to split-funded (.33A/.67N) by Act 134, SLH 2013. No additional general funds, however, were provided to go along with the temporary general fund FTEs. Hence, we are also requesting general funds for these four positions.

802GA-03 - Correction for Position 15811 and Pseudo Number 92049K
PRIORITY NO. 23

This is a correction. The 2019 Legislature's budget worksheet reduced temporary FTE for position number 15811, but should have reduced the permanent FTE since it is a permanent position. The pseudo number 92049K was created to balance the FTE summary worksheet. This budget request is being submitted to correct the error and adjust the FTE count by reducing 1.00 (-0.33A/-0.67N) to the permanent FTE of position number 15811 and increasing 1.00 (0.33A/0.67N) to the temporary FTE of position number 92049K.

802GA – Clean-up of HMS 802 position FTEs

This request is for housekeeping purposes. DVR intends to adjust the Means of Financing (MOF) split of the 45 positions, changing from 0.34A / 0.66N to 0.33A / 0.67N to align with how the positions are authorized in Act 134, SLH 2013.

Med-QUEST Division (MQD)

HMS 902 – General Support for Health Care Payments

DHS PRIORITY	Program ID	Description	MOF	FY2021		
				FTE (P)	FTE (T)	\$ Amount
19	MQD	902IA-02 Delete unestablished temporary Project Manager 94563K from HMS 902	A		(0.10)	(7,000)
			N		(0.90)	(100,800)
24	MQD	902IA-01 Delete unestablished temporary System Architect 94564K from HMS 902 because the position has been	A		(0.10)	(7,500)

			budgeted and is established as permanent Information Security & Privacy Compliance Officer 122451 under HMS 904.	N		(0.90)	(108,000)
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902IA-02 - Transfer Unestablished Temporary Project Manager 94563K from HMS 902 to HMS 904 as a Permanent Resource Manager, Position 122450.

PRIORITY NO. 19

This is a housekeeping request to delete unestablished temporary Project Manager 94563K from HMS 902.

902IA-01 - Delete Unestablished Temporary Position from HMS 902

PRIORITY NO. 24

This request is to delete HMS 902 pseudo number 94564K System Architect because the position has been budgeted and is established as permanent Information Security & Privacy Compliance Officer 122451 under HMS 904.

Social Services Division (SSD)

Trade-off / Transfer & Conversion of Unbudgeted Positions Requests

DHS PRIORITY	BUS UNIT	Program ID	Description	MOF	FY 2021		
					FTE (P)	FTE (T)	\$ Amount
1	SSD	301SA-01	Transfer Out 11.00 Vacant Permanent Positions and Funding to HMS 901. Companion to 601TA-01 and 901MA-01.	A	(6.30)		(383,125)
				N	(4.70)		(581,722)
1	SSD	601TA-01	Transfer Out 5.00 Vacant Permanent Positions and Funding to HMS 901. Companion to 301SA-01 and 901MA-01.	A	(5.00)		(408,224)
1	SSD	901MA-01	Transfer In 16.00 Vacant Permanent Positions and Funding from HMS 301 and HMS 601. Companion to 301SA-01 and 601TA-01.	A	11.30		791,349
				N	4.70		581,722

Trade-off / Transfer & Conversion of Unbudgeted Positions Requests

This request is to transfer positions from Adult Protective and Community Services Branch (APCSB) and Child Welfare Services Branch (CWSB) to Division Administration to provide program planning support by consolidating the program development functions currently housed in APCS and CWSB. This will combine three entities to manage and support both APCS and CWSB line staff in program development, offering clarification, rules design, and application to reconstitute the planning function.

HMS 601 – Adult and Community Care Services

DHS PRIORITY		Program ID	Description	MOF	FY2021		
					FTE (P)	FTE (T)	\$ Amount
12	SSD	601TA-02	Add 1.00 Permanent RN IV to provide nursing support for adult protective services investigations in APCS West Hawaii Section	A	1.00		\$50,742

601TA-02 - Add 1.00 permanent RN IVs to provide nursing support for adult protective services' investigations in APCS West Hawaii Section.

PRIORITY NO. 12

West Hawaii is currently the only APCS section without a nurse on staff. Characteristics of vulnerable adults reported to APS demonstrates the need for comprehensive nursing health assessments of the vulnerable adults' health problems, functional capacity, and urgency of care needed in relation to the reported abuse. This position will fulfill the unmet vulnerable adult client needs provided by a nurse in West Hawaii.

HMS 901 – General Support for Social Services

DHS PRIORITY		Program ID	Description	MOF	FY2021		
					FTE (P)	FTE (T)	\$ Amount
22	SSD	901MA-02	Change Means of Financing for 118589 Purchase of Service Specialist, 119000 SW V, and 46378 POS Specialist and re-describe 46378 POS Specialist (Dependent on 901MA-01.)	A	1.80		95,775
				N	(1.80)		(112,939)

901MA-02 - Change Means of Financing for 118589 Purchase of Service Specialist, 119000 SW V, and 46378 POS Specialist and re-describe 46378 POS Specialist (Dependent on 901MA-01.)

PRIORITY NO. 22

We request the means of financing for the three positions be changed to 60% A/40% N because the program cannot earn federal funds at the 100% federal fund rate to cover the salaries of the positions.

DHS is requesting a transfer of position 119000 from HMS 301 to HMS 901. (Refer to companion requests 301SA 01 and 901MA 01.)

Act 49, SLH 2017 authorized the transfer of positions 118589 and 46378 from Child Protective Services (HMS 301) to General Support for Social Services (HMS901). Prior to the 2017 Legislative session, positions 118589, 46378, and 119000 were budgeted in HMS 301 as 100% federally funded. HMS 901 cannot support 100% federally funded positions.

DHS Administration

HMS 904 – DHS General Administration

DHS PRIORITY	ADMIN	Program ID	Description	MOF	FY2021		
					FTE (P)	FTE (T)	\$ Amount
11	ADMIN	904AA-02	Add 1.00 Perm HR Specialist IV (92106K) for HRO Fingerprinting	A	1.00		31,296
14	ADMIN	904AA-06	Fund 1.00 Temp Exempt Limited English Proficiency Project Manager Coordinator (120833)	A		1.00	66,468
25	ADMIN	904AA-08	Transfer and Adjust MOF-FTE for 1.00 Perm Information Technology Band B (51830) w/ companion request 238GB-02	A	0.65		37,261
25	ADMIN	904AA-08	Transfer and Adjust MOF-FTE for 1.00 Perm Information Technology Band B (51830) w/ companion request 238GB-02	N	0.35		32,101

904AA-02 - Add 1.00 Permanent HR Specialist IV (92106K) for HR Fingerprinting

PRIORITY NO. 11

Position number 92106K – HR Specialist IV will be responsible for conducting comprehensive background checks, including Federal Bureau of Investigation (FBI) fingerprint background checks, as required by Internal Revenue Service (IRS) Publication 1075 and section 346-2.5, HRS, for all individuals selected to fill any of the department's approximate 650 positions required to access federal tax information, and approximately 150 individual background checks for recertification, required every ten years. This request includes funds for the fees and costs associated with the fingerprinting process and FBI document retrieval, estimated at \$23.70 per background check. DHS must have adequate, trained HR staff to conduct thorough background checks, thereby mitigating potential negligent hiring claims and ensuring that the interests of our clients and the public are protected.

904AA-06 - Fund 1.00 Temporary Exempt Limited English Proficiency Project Manager Coordinator, Position 120833

PRIORITY NO. 14

Position number 120833 – Limited English Proficiency Project Manager Coordinator. Title VI of the Civil Rights Act of 1964 and sections 321 C-1 to 7, HRS, prohibits discrimination based on a person's race, color, or national origin in programs and activities that receive federal financial assistance. The federal and state laws include requirements to provide meaningful access to DHS programs and services for LEP applicants, requiring translation of all vital documents for applicants. This position shall be responsible for determining language needs for DHS clients and applicants for benefits and services; establishing and maintaining policies and procedures addressing service delivery to LEP individuals; developing proficiency standards and implementing formal procedures for the assessment and certification of interpreter and/or translator proficiency levels; improving and expanding the network of translation and interpreter services; coordinating the identification and simplification of vital documents to be translated with the various DHS divisions; and exploring

the possibility of sharing LEP resources department-wide and where feasible, with other state departments.

904AA-08 - Transfer and Adjust MOF-FTE for 1.00 Perm Information Technology Band B (51830) w/ companion request 238GB-02

PRIORITY NO. 25

Position number 51830 - Information Technology Band B, Systems Analyst was an IT position in the Division of Vocational Rehabilitation (DVR). The Social Security Administration (SSA) ceased 100% funding, MOF N, for this position effective February 28, 2019. This position is vital to DVR and needs OIT supervision and direction. This request is to transfer this position from HMS802 to HMS904 with split funding, 65% MOF A and 35% MOF N. (Also discussed above.)

DHS Overall

Federal Fund Adjustment Requests

DHS PRIORITY	BUS UNIT	Program ID	Description	MOF	FY 2021		
					FTE (P)	FTE (T)	\$ Amount
1	BESSD	224HS-10	Form FF Reconciliation	N			70,552
1	BESSD	236LC-10	Form FF Reconciliation	N			43,818
1	DVR	802GA-10	Form FF Reconciliation	N			46,605
1	MQD	902IA-10	Form FF Reconciliation	N			26,295,869
1	MQD	902IA-10	Form FF Reconciliation	P			56,013
1	SSD	301SA-10	Form FF Reconciliation	P			293,775
1	SSD	303WP-10	Form FF Reconciliation	N			1,319,986
1	SSD	901MA-10	Form FF Reconciliation	N			67,559

Form FF Reconciliation

PRIORITY NO. 1

Additional federal fund ceiling is being requested based on a comparison of federal fund appropriations under Act 5, SLH 2019 for FY21 and currently anticipated federal funds for FY21.

Note: the highlighted amount is addressed in Section 1 of this measure.



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

February 20, 2020

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

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

SUBJECT: **HB 2526 HD1 – RELATING TO THE DEPARTMENT OF HUMAN SERVICES**

Hearing: Thursday, February 20, 2020, 1:00 p.m.
Conference Room 308, State Capitol

POSITION: The Governor's Coordinator supports this bill with suggested amendments, and understands that items identified in this measure are not included in the executive budget bill HB2200 HD1.

Regarding Section 6, the Coordinator appreciates the amendment of the House Committee on Human Services and Homelessness to add transportation to and from the Department of Health's (DOH) short-term stabilization beds to the \$5,000,000 appropriation for homeless services (HMS224) for stored property and debris removal services for state lands. The Coordinator is concerned that requiring this appropriation to pay for transportation services may limit the State's ability to respond to unauthorized encampments on State lands, and notes that transportation to and from services is a function of homeless outreach services contracted by the Department of Human Services (DHS) and DOH, and is also provided by other community partners such as the Honolulu Police Department (HPD). If transportation services remain in this bill, the Coordinator suggests replacing the language on page 2, lines 12-18 with the following:

"SECTION 6. There is appropriated out of the general revenues of the State of Hawaii the sum of \$5,000,000 or so much thereof as may be necessary

for fiscal year 2020-2021 for homeless services (HMS224) for stored property and debris removal services for state lands, and transportation for homeless individuals to transportation, shelter, or appropriate treatment options; provided that, with the governor's approval, the funds may be transferred to other departments as needed to facilitate stored property, debris removal, and transportation activities."

PURPOSE: The purpose of this bill is to appropriate funds for the operating budget of the Department of Human Services (DHS) for Fiscal Year 2021.

Homelessness remains one of the most pressing challenges facing Hawaii, and the State has adopted a comprehensive framework to address homelessness that focuses on three primary leverage points – affordable housing, health and human services, and public safety. The Coordinator works closely with multiple state agencies, the four counties, and the Continuum of Care (CoCs) to implement this framework. Between 2016 and 2019, the collaborative effort of the Coordinator and key partners contributed to an overall statewide decline in the Point in Time count of homeless individuals by 19.1% (1,509 individuals), including a 39% decrease (1,473 individuals) in homeless families. During this same period, the number of individuals exiting from homeless programs to permanent housing increased by 73% - an increase from an average of 357 per month to an average of 616 per month.

In its report to the 2020 Legislature, the Hawaii Interagency Council on Homelessness (HICH) noted the need to sustain current efforts and to strengthen the capacity of homeless service providers, the community, and government agencies tasked with overseeing homeless efforts. The appropriations described in this bill are critical to building the necessary community capacity to sustain a housing-focused approach to further reduce homelessness statewide.

Sections 3 and 4 appropriate \$570,000 and \$1,330,000 respectively to establish Homeless Shelter After-Care Services. The proposed After-Care services would provide between six to nine months of supportive services following a family's placement in housing.

Despite increases in housing placements for families, Homeless Management Information System (HMIS) data indicates that about one-third of families (31.15%, 114 out of 366 families) exiting from shelter returned to homelessness within six months after housing placement during the most recent contract period (8/1/18 to 6/30/19). The After-Care services would provide much needed additional capacity for providers to offer additional support for homeless families to assist them in retaining housing, including flexible housing-related financial assistance and case management. As currently drafted, sections 3 and 4 does not include general funds necessary to provide services for families that may not be eligible for federal TANF funds, and the Coordinator defers to DHS' proposed amendments to address this issue.

Section 5 appropriates \$350,000 for the development and maintenance of a State homeless database to warehouse data regarding State contracts for homeless services. This appropriation would increase the State's ability to access homeless service data to inform decision making in real time, and would address issues related to data access following the recent separate of the former statewide HMIS into two separate systems – one for Oahu, and one for the balance of state.

Section 6 appropriates \$5,000,000 to maintain a statewide stored property and debris removal program, which enables the State to address and respond to unauthorized encampments on State lands. In 2019, the stored property program disposed of 5,081 tons (11.1 million pounds) of debris, including 290 tons of debris on Hawaii island, 4,200 tons of debris on Oahu, 424 tons of debris on Maui, and 176 tons of debris on Kauai. The removal of debris through the program is coordinated with homeless outreach services to ensure access to shelter, housing, and case management for unsheltered individuals in encampments. The stored property program enhances the capacity of State agencies to respond to encampments on public land, and prevents litigation for potential due process violations. If the full amount requested for the statewide stored property and debris removal program is not provided, this will likely have an adverse impact on the State's ability to respond to unauthorized encampments on State land.

Thank you for the opportunity to testify on this bill.

DAVID Y. IGE
GOVERNOR OF HAWAII



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

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the House Committee on
FINANCE**

**Thursday, February 20, 2020
1:00 PM
State Capitol, Conference Room 308**

**HOUSE BILL 2526, HOUSE DRAFT 1
RELATING TO THE DEPARTMENT OF HUMAN SERVICES**

House Bill 2526, House Draft 1 proposes to appropriate funds for the operating budget of the Department of Human Services for Fiscal Year 2020-2021. **The Department of Land and Natural Resources (Department) supports this measure.**

In particular, the Department supports SECTION 5 of this measure which proposes to fund the State Homeless Database and maintenance, and SECTION 6 which proposes to fund stored property and debris removal services for state lands.

The State Homeless Database is important to the Department because it tells us the status of clients that we meet in the field when we do outreach prior to a clean-up. The information allows us to coordinate our response with the correct outreach and support agencies without wasting too much time. The Governor's Office on Homelessness provides database information for the Department upon request.

The Department uses the services provided under Department of Human Services funding for stored property and debris removal on Department lands, including Diamond Head, Ala Wai Boat Harbor, and Sand Island on O'ahu, lands at Oluwalu, Mala Wharf and Kanaha on Maui, Nawiliwili Boat Harbor and Pua Loke Arboretum on Kauai, and Wailoa Boat Harbor on Hawaii Island. Having stored property and debris removal under one statewide contact increases efficiency across the State in addressing this particular aspect of homelessness. It means that our individual divisions do not have to use operating funds to contract for clean-ups or for storage. Further, the team that does storage and debris removal statewide has several years of experience and they are very efficient.

Thank you for this opportunity to comment on this measure.

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
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