



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

April 1, 2019

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

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

SUBJECT: SB 470 HD1 – RELATING TO HOMELESSNESS

Hearing: Monday, April 1, 2019, 2:00 p.m.
Conference Room 308, State Capitol

POSITION: The Governor's Coordinator supports the intent of this measure, and respectfully offers comments in regard to the amendments of the House Committee on Human Services and Homelessness and Housing to authorize the use of private lands for the Ohana Zones pilot program.

In particular, the Coordinator requests clarification regarding language on page 3, lines 1-9, which authorizes the use of private lands, provided that there is a Memorandum of Understanding (MOU) or a "partnership" between the State and the private landowner. As currently drafted, the term "partnership" is not clearly defined, and it is unclear that either an MOU or a "partnership" will include legally enforceable terms to ensure the use of private lands for Ohana Zone purposes.

PURPOSE: The purpose of the bill is to authorize the use of private lands for the Ohana Zones pilot program and extend the Ohana Zones pilot program to June 30, 2022. The bill will also extend the Emergency Department Homelessness Assessment Pilot Program and the Medical Respite Pilot Program to June 30, 2020.

The Coordinator notes that DHS recently executed contract agreements with the Queen's Medical Center to implement the two pilot programs described in this measure. Accordingly, as the two pilot programs have only recently been initiated and to avoid the lapse

of non-recurring funds appropriated by Act 209, Session Laws of Hawaii 2018, the Coordinator supports extending the sunset date for the pilot program for one year. If the sunset date for the pilot programs are not extended, there will not be enough time for the Queen's Medical Center to implement the pilots and DHS will be unable to sufficiently evaluate the effectiveness of the programs and make recommendations to continue, modify, or terminate either program.

According to data provided by Queen's Medical Center, a review of expenses incurred by 29 patients who frequently utilized Emergency Medical Services (EMS) transport showed a \$282,700 savings in EMS costs along after only four months of assistance from the Queen's Care Coalition. Queen's Medical Center also provided the Coordinator with data showing that over 82 individuals were connected to long-term placements by the Queen's Care Coalition staff in calendar year 2018. Long term placements included 7 individuals returned to their home state, 4 connected with family locally, and the remainder placed in boarding homes, rental units, shelter, respite housing, and care homes.

In regard to the Ohana Zones pilot program, the Office of the Governor has committed Ohana Zone funds appropriated by Act 209, Session Laws of Hawaii 2018, to support seven projects on the island of Oahu. The Office of the Governor is currently in discussion with the Counties of Maui, Hawaii, and Kauai to finalize additional projects in those counties. A report regarding the allocation of Ohana Zone funds was submitted to the legislature in December 2018, and can be found online at: https://humanservices.hawaii.gov/wp-content/uploads/2019/01/2019-HRS-346-3819-Report-Re_HICH-Act-209-2018-Re-Ohana-Zone-Medical-Pilots.pdf.

The Coordinator supports the use of private lands for the Ohana Zone pilot program, provided that any identified private lands have basic infrastructure in place, including utility connection and road access.

Thank you for the opportunity to testify on this bill.

DAVID Y. IGE
GOVERNOR



PANKAJ BHANOT
DIRECTOR

CATHY BETTS
DEPUTY DIRECTOR

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

April 1, 2019

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

FROM: Pankaj Bhanot, Director

SUBJECT: **SB 470 HD 1 – RELATING TO HOMELESSNESS**

Hearing: April 1, 2019, 2:00 p.m.
Conference Room 308, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this bill and the proposed amendments of Act 209, Session Laws of Hawaii (SLH) 2018. Regarding use of private lands, DHS supports the bill provided that, given there is a time limit to the pilot program and will involve the use of public funds on private land, the private land have basic existing infrastructure (i.e., public access, water, sewer, electricity, correct zoning) and that public funds be used for contracted services.

DHS is concerned with the direction to use a Memorandum of Understanding (MOU) when it comes to use of private lands for public purposes. While MOU articulate an agreement between parties, they do not generally contain necessary provisions that are legally enforceable.

Further, DHS requests clarification of the amendment of the House Committee on Human Services & Homelessness regarding "any structure built with public funds may be moved or is temporary." DHS appreciates that the community and legislature is trying to figure out a rapid way to address the needs of individuals and families who are living in unsheltered conditions, and how to further incorporate private landowners who are interested in being part

of the solution. However, we are concerned that movable and temporary structures may result in encampments and tent cities which we do not support.

PURPOSE: The purpose of this bill is to authorize the use of private lands for the Ohana Zones Pilot Program. Extends the Ohana Zones Pilot Program to June 30, 2022. Extends the Emergency Department Homelessness Assessment Pilot Program and the Medical Respite Pilot Program to June 30, 2020. (SB470 HD1)

DHS Homeless Programs Office (HPO) has executed contracts for the emergency homelessness assessment pilot and the medical respite pilot with the identified provider effective on or about March 1, 2019. The proposed expiration date of June 30, 2020 for the emergency department homelessness assessment pilot program and medical respite pilot program will be beneficial as additional time is needed for the pilots to become fully operational. Accordingly, the due dates for the reports will also benefit from an extension and provide more accurate data.

DHS Homeless Programs Office (HPO) is in the process of executing contracts for the emergency homelessness assessment pilot and the medical respite pilot with the identified provider. The proposed expiration date of June 30, 2020 for the emergency department homelessness assessment pilot program and medical respite pilot program will be beneficial as additional time is needed for the pilots to become fully operational.

HPO has included in its contract the ability to continue services with a no cost extension of unexpended funds in anticipation of an amendment to Act 2019, SLH 2018. The extension should also apply to the report dates.

At this time, DHS does not anticipate the need for additional appropriations. However, additional staff resources at the Department of the Attorney General will likely be required to assist with preparing a lease or other agreements with the land owners for use of the land during the pilot period.

Furthermore, DHS recommends that the private lands should have existing infrastructure to be considered to become an Ohana Zone pilot site, and that Ohana Zone pilot funds be used for contracted services.

DHS appreciates that the Legislature is trying to find solutions to the shelter needs of homeless residents using Housing First principles. DHS supports solutions that increase permanent housing options.

The state's framework to address homelessness through Housing First principles is based upon the notion of placement in safe and affordable permanent housing as soon as possible. DHS supports investing in permanent housing solutions that are sustainable, safe, healthy, and near to existing transportation, education, health, and economic infrastructure; these are all significant aspects to ending homelessness for individuals and families currently experiencing it.

DHS currently delivers homeless services through the purchase of services provided by community based non-profit organizations statewide. DHS is currently not a brick and mortar agency and does not have expertise or experience with constructing homes, construction financing, community design, or infrastructure planning; DHS will require additional time to develop the administrative infrastructure to acquire the subject matter expertise and requisite administrative resources to embark on the endeavor.

Thank you for the opportunity to provide testimony of 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**

**Monday, April 1, 2019
2:00PM
State Capitol, Conference Room 308**

**In consideration of
SENATE BILL 470, HOUSE DRAFT 1
RELATING TO HOMELESSNESS**

Senate Bill 470, House Draft 1 proposes to authorize the use of private lands for 'Ohana Zones and extends the sunset dates for homeless emergency medical programs. **The Department of Land and Natural Resources (Department) supports the use of private lands for Ohana Zones, but prefers the language of House Bill 257 House Draft 2, Senate Draft 1 which clarifies the limitations on the use of private lands.**

The Department notes that unencumbered or unleased lands held by the Department are often unsuitable for 'ohana zone purposes due to the lack of infrastructure, remote location, size of the parcel or a combination all three. The Department further notes that private land owners, including churches and non-profits have offered the use of their lands, and this measure would allow the use of 'ohana zone funds for use on those properties. Lastly, the Department notes that other agencies have expressed concern that buildings built using state funds be used for the purpose for which they were built, and the language of House Bill 257 House Draft 2, Senate Draft 1 addresses these concerns.

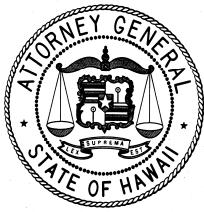
Thank you for the opportunity to comment on this measure.

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

ROBERT K. MASUDA
FIRST DEPUTY

KALEO MANUEL.
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



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
THIRTIETH LEGISLATURE, 2019**

ON THE FOLLOWING MEASURE:

S.B. NO. 470, H.D. 1, RELATING TO HOMELESSNESS.

BEFORE THE:

HOUSE COMMITTEE ON FINANCE

DATE: Monday, April 1, 2019

TIME: 2:00 pm

LOCATION: State Capitol, Room 308

TESTIFIER(S): Clare E. Connors, Attorney General, or
Melissa L. Lewis, Deputy Attorney General

Chair Luke and Members of the Committee:

The Department of the Attorney General offers the following comments.

The purpose of this measure is to amend Act 209, Session Laws of Hawaii 2018, to include: (1) ohana zones sites on private lands and require a memorandum of understanding between the private landowner and the state or county department or a partnership between the State and the private landowner; and (2) to extend the ohana zones, the emergency department homelessness assessment, and the medical respite pilot programs for an additional year.

The bill contains provisions that may create confusion and impede implementation.

In section (1), on page 3, lines 1-9, the bill amends section 3(c) of Act 209 to provide that:

- (2) Use of any private lands determined to be suitable for use as an ohana zone shall be for limited purposes and require a:
- A. Memorandum of understanding between the private land owner and any state or county department that any structure built with public funds may be moved or is temporary; or
 - B. Partnership between the State and the private landowner.
- [Emphasis added.]

Generally, a memorandum of understanding is an agreement used between government agencies. The type of legal instrument between the state or county and a private landowner is dependent on the facts surrounding the specific transaction.

Moreover, in subparagraph (B) of that provision, if a memorandum of understanding is not used then a partnership is required “between the State and the private landowner”; it does not include county departments. To avoid possible confusion, to permit the use of an appropriate legal instrument specific to the transaction, and if the intent is to include county departments in agreements entered into with private landowners, we recommend clarifying the provision as follows:

- (2) Use of any private lands determined to be suitable for use as an ohana zone shall be for limited purposes and require a written agreement between the state or county department and the private landowner. The written agreement shall include that any structure built with public funds may be moved or is temporary.

If this bill proceeds we respectfully request that the recommended modification be made.

SB-470-HD-1

Submitted on: 3/29/2019 4:07:59 PM

Testimony for FIN on 4/1/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Patrick F. Hurney	Habitat for Humanity Hawaii Island, Inc.	Support	No

Comments:

Aloha Committee Members:

Please pass SB 470 and support homeless programs.


Mahalo

Patrick Hurney



THE QUEEN'S HEALTH SYSTEMS

To: The Honorable Sylvia Luke, Chair
The Honorable Ty J.K. Cullen, Vice Chair
Members, Committee on Finance

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

Date: March 29, 2019

Hrg: House Committee on Finance Hearing; Monday, April 1, 2019 at 2:00 PM in Room 308

Re: Strong support for S.B. 470, H.D. 1 Relating to Homelessness

The Queen's Health Systems (Queen's) is a not-for-profit corporation that provides expanded health care capabilities to the people of Hawai'i and the Pacific Basin. Since the founding of the first Queen's hospital in 1859 by Queen Emma and King Kamehameha IV, it has been our mission to provide quality health care services in perpetuity for Native Hawaiians and all of the people of Hawai'i. Over the years, the organization has grown to four hospitals, 66 health care centers and labs, and more than 1,600 physicians statewide. As the preeminent health care system in Hawai'i, Queen's strives to provide superior patient care that is constantly advancing through education and research.

Queen's appreciates the opportunity to provide testimony in strong support of S.B. 470, H.D.1 which provides for a no cost extension for the emergency department (ED) assessment and medical respite pilot programs currently being administered through Care Coordination at The Queen's Medical Center – Punchbowl. Last year, the 2018 Legislature passed Act 209, which established these pilot programs. Preliminary data has demonstrated their success in reducing strain on our health care system; our request for an extension to June 30, 2020 is to demonstrate the full value of these pilots.

Hawai'i 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} As an island state, our geographical and isolated position presents unique challenges in serving a homeless population that is densely concentrated. As the primary health system serving this population, by focusing resources for maximum access to this population, we are able to see over 400 unique homeless patients per month and provide them with the care they need.

The ED assessment pilot program is currently operating through the Queen's Care Coalition (QCC). The QCC identifies homeless patients with the highest utilization of emergency services

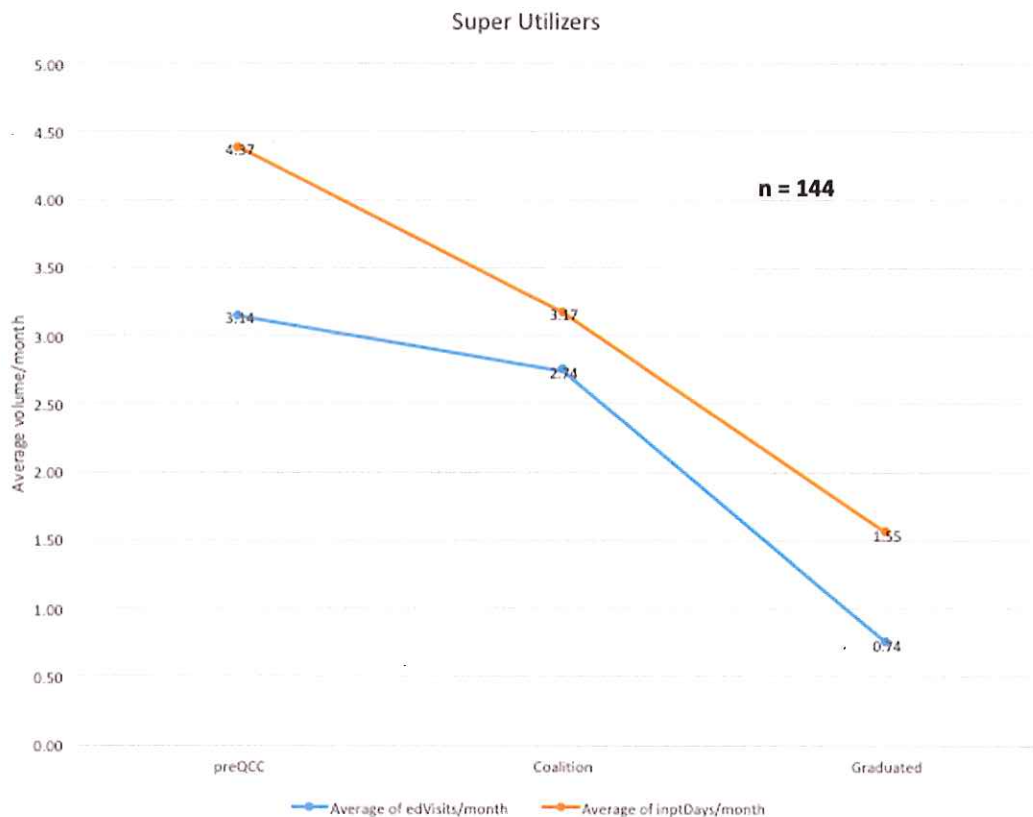
¹ The Department of Housing and Urban Development, "The 2017 Annual Homeless Assessment Report (AHAR) to Congress", December 2017

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

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.



and works aggressively to provide care and the right resources. The QCC navigates approximately 225 homeless patients annually, providing them coordinated care and connecting them to community resources such as supportive housing services, social services, behavioral health, etc. to address underlying issues that may stem from their unique circumstances.



Since the start of the QCC in January 2018, the graph (above) illustrates a significant decrease in average volume per month by super utilizers coming to the Queen's Emergency Department. The chart shows utilization per month, per super utilizer three months pre-intervention and three months post-intervention. As we continue to develop and deploy the QCC Team, there is the potential for efforts to be replicated on the neighbor islands for greatest reach and reduced costs and strain on the health care system. An upwards of 64% of all hospital visits by the homeless are at Queen's, where care is delivered at partial or no reimbursement. High utilization of Emergency Medical Services (EMS) and Emergency Department (ED) resources by homeless individuals also impacts Hawaii's Medicaid program.

Queen's is proud to partner with to the Institute for Human Services on Tutu Bert's House and Ka Uka Respite House. Both of these facilities provide a stable and transitional supervised environment for homeless patients who have been discharged from Queen's and may need additional time to heal in a more appropriate level of care setting. The need for Medical Respite care for individuals experiencing homelessness is a critical part of the continuum of care for this

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.



THE QUEEN'S HEALTH SYSTEMS

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 recover. 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.

Thank you for the opportunity to provide testimony in strong support.

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.

SB-470-HD-1

Submitted on: 3/29/2019 4:59:11 PM

Testimony for FIN on 4/1/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Shirley David	Individual	Support	No

Comments:



LATE

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COMMITTEE ON FINANCE
MONDAY, April 1, 2019, 2:00 p.m., Room 308.

SB 470 HD1 RELATING TO HOMELESSNESS
TESTIMONY

Ann Shaver, Legislative Committee, League of Women Voters of Hawaii

Chair Luke, Vice-Chair Cullen and Committee Members:

The League of Women Voters strongly supports Act 209, Session Laws of Hawaii 2018, and the amendments contained in SB 470 HD1. The bill as amended is in line with League's long-held urban and social-service policies and specifically addresses the increasing homelessness found throughout the state.

The bill is based on the demonstrated success of the housing-first approach to homelessness. It tailors this to the currently popular notion of ohana zones, which include Hawaiian values of aloha, ohana and kuleana. It follows the premise of "housing first" and is more inclusive than the spontaneously occurring ohana zones; it mandates involvement of interdisciplinary teams addressing the concomitants of homelessness including physical and mental illnesses. The bill stipulates oversight for protection of private landowners, the infrastructure and the environment in determining areas for pilot ohana zone projects. It requires and sets forth criteria for evaluation, protection against fraud and abuse and mandates compliance with local, state, and federal laws. The bill also includes a termination date for the pilot projects.

The League of Women Voters believes this bill is an important effort to address homelessness on all four counties. We urge your support of SB 470 HD1.

Thank you for the opportunity to submit testimony.



O'ahu County Democrats
oahudemocrats.org



LATE

Aloha Chair Luke, Vice Chair Cullen, and Members of the Finance Committee,

RE: SB 470 HD1, Relating to Homelessness

I write in support of Senate Bill 470, House Draft 1. This bill authorizes the use of private land for Ohana Zones Pilot Program, and extends the sunset dates on the Ohana Zones Pilot, the Emergency Department Homelessness Assessment Pilot, and the Medical Respite Pilot Programs.

The 2018 Platform of the Democratic Party of Hawai'i speaks on the moral urgency of our homeless crisis. It compels us to *"fight for robust funding to end homelessness in our cities and counties once and for all, through targeted investment to provide the necessary outreach, social series, and housing options for all populations experiencing homelessness."*

We must do all that we can to hasten housing security for our thousands of houseless individuals, many of home are houseless families. The Ohana Zones concept is fundamentally sound and should continue in the medium-term; it is a targeted, incremental step towards our great vision of housing security for all Hawai'i people. The Assessment Pilot is necessary for developing homeless policy 'to proper scale.'

Furthermore, we need Medical Respite because so many of our homeless have chronic or life-threatening conditions (as an aside, the leading driver of real estate foreclosure in Hawai'i is medical debt), and cannot heal in the heat and on the streets. Notably, medical respite diverts patients from emergency and urgent care, which leads our preventable E.R. trips. Such trips, necessitated by the lack of access or delayed treatment, drives up the cost of healthcare for the working, housed class and disproportionately consumes our scarce monies for social welfare (the latter in accordance with the Pareto principle).

These pilot programs are first steps towards a wiser, more humane chapter in Hawai'i history. I thank the House Committee on Finance for performing its due diligence in considering this measure.

Members, please vote 'aye' on S.B. 470 HD1.

Respectfully,

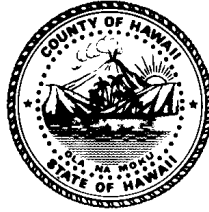


DYLAN P. ARMSTRONG, VICE CHAIR

O'AHU COUNTY COMMITTEE, O'AHU COUNTY DEMOCRATS

Harry Kim
Mayor

LATE



Wil Okabe
Managing Director

Barbara J. Kossow
Deputy Managing Director

County of Hawai'i Office of the Mayor

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April 1, 2019

Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice Chair
Committee on Finance

Dear Chair Luke, Vice Chair Cullen, and Committee Members:

RE: SB 470, HD1 Relating to Homelessness

Your Committee previously dealt with Ohana Zones in SB 1131, SD2, HD1 and HB 257, HD2, SD1, both of which are still alive. Now you have before you a third bill, SB 470, HD1.

We support any measure that enhances flexibility and, therefore, is most likely to provide an opportunity to expedite the construction of appropriate housing for individuals experiencing homelessness. The Sacred Hearts and Hale Iki emergency housing projects on the Island of Hawai'i are a direct result of two separate government and private sector partnerships that led to the creation of thirty temporary housing solutions for survivors of the recent Kilauea eruptions.

Unless there is strong reason to narrow the scope, I hope you will extend the pilot programs, and allow broad leeway in finding locations that are suitable for developing and managing homeless services. Increased flexibility would be a positive way of implementing the pilot projects and maximizing their potential for success.

Respectfully Submitted,

Harry Kim
MAYOR