

SB-28

Submitted on: 1/31/2021 12:13:40 AM

Testimony for JDC on 2/4/2021 9:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Brett Kulbis	Testifying for Honolulu County Republican Party	Oppose	No

Comments:

Honolulu County Republican Party opposes SB-28.

The State should not be in the housing business. Instead they should be removing the excess laws, regulations and rules that have exacerbated the problem for decades.

Head Dr. Keli'i Akina's words from his February 14, 2020 article "Five little words could solve Hawaii housing crisis,

"Instead of declaring that, "The state shall produce enough housing to meet demand," the amendment could read, "The state shall allow the free market to produce enough housing to meet demand."

That's all it would require. Instead of taking the burden of providing housing-for-all onto itself – and therefore the taxpayers – the state just needs to get out of the way and let the free market go to work."

Brett Kulbis
Chairman
Honolulu County Republican Party



SB 28, PROPOSING AN AMENDMENT TO ARTICLE IX, SECTION 5, OF THE HAWAII STATE CONSTITUTION, TO REQUIRE THE STATE TO PRODUCE ENOUGH HOUSING TO MEET DEMAND

FEBRUARY 4, 2021 · SENATE JUDICIARY
COMMITTEE · CHAIR SEN. KARL RHOADS

POSITION: Support.

RATIONALE: Imua Alliance supports SB 28, which amends the constitution to require the state to provide enough housing to meet demand subject to standards and criteria as provided by law.

Hawai'i is facing a looming eviction crisis. During COVID-19, unemployment skyrocketed to levels not seen since the Great Depression. A recent study found that our state is experiencing the slowest unemployment rate recovery in the nation, moreover, with our rate hovering at approximately 9 percent in December. Thousands of people who haven't lost their jobs have instead seen their employment hours and earnings slashed, as the economic downturn lingered throughout 2020 and into the new year.

Financial precarity has become the norm for many families, who are unable to pay their full mortgages or rent and have accumulated housing debts. Currently, the state's eviction moratorium protects these families from being removed from their homes. Yet, the eviction moratorium will eventually expire as the public health emergency passes, leaving thousands of people at risk of losing their housing. It is entirely plausible, though heartbreaking, that landlords may try to increase rental and other housing costs to recover economic losses that they incurred

during the pandemic, which would take a huge toll on tenants who are still struggling to get back on their feet.

Today, **our state's ongoing lack of affordable housing exacerbates the economic insecurity suffered by local families, which sex traffickers use to prey upon potential victims with false promises of financial stability and prosperity.** Hawai'i residents face the highest housing costs in the nation, at more than twice the national average. Researchers who authored the National Low Income Housing Coalition's *Out of Reach 2020* report found that a full-time worker would need to earn \$38.76/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 needing to log 117 hours per week to afford a modest one-bedroom apartment at fair market value and 153 hours per week to afford a two-bedroom—a number that is equivalent to working over 20 hours a day with no days off year-round. In the past five years alone, Honolulu rent has increased by more than 25 percent. While 42 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 \$17.17/hour, according to NLIHC, 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, over 60 percent of households are severely cost-burdened, following NLIHC data, meaning that they pay more than 30 percent of their income for housing costs, a number that rises to over 80 percent of extremely low-income households, with only 74 homes available for every 100 households earning 80 percent of their respective area's median income.

Notably, housing costs increased during the pandemic. In Honolulu, median single-family home prices reached a record of \$880,000 last October, **driven largely by sales to residential property investors.** Unsurprisingly, our state is now experiencing population decline. Hawai'i saw domestic out-migration increase for a third consecutive year in 2019, as the state's high cost of living continued to push people to the mainland. Census estimates show that our state's

population dropped by 8,866 people from July 2019 to July 2020, when births, deaths, and migration were accounted for. That population drop is nearly double the loss seen in 2011, when Hawai'i one of just ten states in the country to lose population, according to the U.S. Census Bureau. People are simply being priced out of paradise.

Without question, Hawai'i's lack of affordable housing exacerbates our state's homelessness crisis. In a recently released report, Chief Medical Examiner Dr. Masahiko Kobayashi said that 127 people who were considered homeless at the time of their deaths died on O'ahu in 2019, up from 120 deaths in 2018 and an increase of 46 percent from 2017 (87 deaths). Roughly 30 percent of children who are living on the streets will be approached for sexual exploitation within 48 hours of being away from home, according to the National Center for Missing and Exploited Children, 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.

Unsheltered keiki 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, we have heard their stories hundreds of times.

Given these problems, **we cannot continue to allow the islands to be used as a private Monopoly board for real estate speculators.** To ensure that our islands are affordable for ourselves and future generations, we must take bold action ***now*** to guarantee access to affordable housing for working families and ensure that people who are participating in our state's housing market do not face price gouging as they strive to achieve a successful financial recovery.

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SB-28

Submitted on: 1/31/2021 5:33:09 PM

Testimony for JDC on 2/4/2021 9:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
cathy lee	Individual	Support	No

Comments:

We, as a nation, are in a housing crisis. But Hawai'i is in particularly bad shape when it comes to housing affordability and homelessness. Something must be done to at the very least acknowledge this crisis. This bill is a very good first step. We need a bill that requires the State to create and invest in enough housing that the public currently actually needs.

SB-28

Submitted on: 1/31/2021 5:52:04 PM

Testimony for JDC on 2/4/2021 9:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Glenn Nagao	Individual	Support	No

Comments:

I am writing in support of SB28.

As one of the largest issues facing our State, we should be doing all we can to tackle this issue and its causes. Providing enough housing supply is one method to solving this problem.

As our cost of living continues to go up, more and more of our residents are displaced and either lose their homes or relocate off island.

Please vote to support SB28.