

DAVID Y. IGE
GOVERNOR



LATE

CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEES ON JUDICIARY AND WAYS AND MEANS
ON
HOUSE BILL NO. 1752, H.D. 3

April 5, 2022
10:05 a.m.
Room 211 and Videoconference

RELATING TO HOUSING

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill No. 1752, H.D. 3: 1) amends Chapter 356D, HRS, to require the Hawai'i Public Housing Authority (HPHA) to adopt rules to expand incentives for landlords participating in or initially joining the Section 8 Housing Choice Voucher Program to include reimbursements for eligible unit vacancy periods and signing bonuses and to set requirements for reimbursements for tenant-caused property damage when the repair costs exceed the security deposit as authorized by Act 215, SLH 2019; 2) requires HPHA to adopt rules to establish that a reasonable time within which to inspect a Section 8 landlord's property after receiving a request for inspection will be a maximum of 15 days; 3) appropriates an unspecified amount of general funds for HPHA in FY 23 to provide expanded incentives to Section 8 landlords; and 4) appropriates an unspecified amount of general funds for HPHA in FY 23 to hire unspecified amounts of permanent Housing Quality Standards Inspector II positions and permanent Public Housing Specialist II positions to support the Section 8 Housing Choice Voucher Program.

B&F notes that, with respect to the general fund appropriations in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.



STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
PRINCESS VICTORIA KAMĀMALU BUILDING
1010 RICHARDS STREET, Room 122
HONOLULU, HAWAII 96813
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543

April 05, 2022

The Honorable Senator Karl Rhoads, Chair
Senate Committee on Judiciary
The Honorable Senator Donovan M. Dela Cruz, Chair
and
Senate Committee on Ways and Means
The Thirty-First Legislature
State Capitol
State of Hawai'i
Honolulu, Hawai'i 96813

Dear Senator Rhoads, Senator Dela Cruz, and Committee Members

SUBJECT: HB1752 HD3 Relating to Housing

The Hawaii State Council on Developmental Disabilities **supports the intent of HB1752 HD3** which establishes the housing choice voucher landlord incentive program. Requires the Hawaii public housing authority to adopt rules without regard to chapter 91, HRS, to establish specified incentives for landlords who participate in the tenant-based assistance housing choice voucher program under section 8 of the United States Housing Act of 1937. Requires that the Hawaii public housing authority adopt rules to establish a maximum of fifteen days after receipt of an owner's or landlord's inspection request as a reasonable time within which to inspect a dwelling unit for lease under the section 8 housing choice voucher program. Appropriates funds.

The Section-8 housing choice voucher program helps our individuals with developmental disabilities live independently. Currently, many Section-8 voucher holders wait a substantial amount of time to receive their voucher, only to not use their voucher due to discrimination or stigma against the Section-8 program. We support this measure as it seeks to add securities and incentives to homeowners willing to rent to Section-8 participants.

The Council defers to Scott Morishige the Governor's Coordinator on Homelessness for further comments.

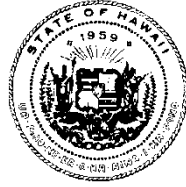
Thank you for the opportunity to submit testimony regarding **HB1752 HD3**.

Sincerely,

A handwritten signature in blue ink that reads "Daintry Bartoldus".

Daintry Bartoldus
Executive Administrator

DAVID Y. IGE
GOVERNOR



HAKIM OUANSAFI
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

STATE OF HAWAII

HAWAII PUBLIC HOUSING AUTHORITY
1002 NORTH SCHOOL STREET
POST OFFICE BOX 17907
HONOLULU, HAWAII 96817

Statement of
Hakim Ouansafi

Hawaii Public Housing Authority
Before the

SENATE COMMITTEE ON JUDICIARY and SENATE COMMITTEE ON WAYS AND MEANS

Tuesday, April 5, 2022

10:05 AM – Videoconference – Room 211, Hawaii State Capitol

In consideration of
HB 1752, HD3
RELATING TO HOUSING

Honorable Chair Rhoads, Honorable Chair Dela Cruz, and Members of the Senate Committee on Judiciary, and Members of the Senate Committee on Ways and Means, thank you for the opportunity to provide testimony concerning House Bill (HB) 1752, HD3, relating to housing.

The Hawaii Public Housing Authority (HPHA) offers the following **comments** for HB 1752, HD3. This measure establishes the housing choice voucher landlord incentive program. Requires the Hawaii public housing authority to adopt rules without regard to chapter 91, HRS, to establish specified incentives for landlords who participate in the tenant-based assistance housing choice voucher program under section 8 of the United States Housing Act of 1937. Requires that the Hawaii public housing authority adopt rules to establish a maximum of fifteen days after receipt of an owner's or landlord's inspection request as a reasonable time within which to inspect a dwelling unit for lease under the section 8 housing choice voucher program-

The Section 8 Housing Choice Voucher (HCV) program is a major federal program assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market, including single-family homes, townhouses, and apartments. It is an important part of the State's efforts in addressing the affordable housing needs of our low-income families. This program currently brings \$44.70 million dollars a year primarily on the island of Oahu, supports over 3,200 families and over 11,200 individuals. All families go through a criminal background, sex offender screening, and Homeland Security screening before being given a voucher to pursue a rental unit.

There are many landlords who are reluctant to lease their units to our section 8 voucher holders, leaving many families with no choice but to return the voucher that they waited many years to receive. While the HPHA averaged approximately 300 new families over the past 5 years, due to additional federal funding, the HPHA is anticipating serving an additional 800 new families in the upcoming fiscal year. The average total rent of \$1,750 per family (including S8 participant's portion), comes out to approximately \$1,400,000 needed to fund this program. This program will certainly make a difference in the lives of our most disadvantaged families by assisting them to find suitable permanent housing.

Please know that the additional inspector positions must be provided in order for the HPHA to administer unit inspections within 15 days, and the total amount needed to fund all 5 positions in the measure comes out to \$359,790. With the creation of these landlord incentives, the HPHA will be able to provide these landlord incentives right away, and then be able to use its federal funds to serve more families in the future.

These landlord incentives are only one part of the struggle that Section 8 recipients endure while looking for a place to call home. A crucial factor is to prohibit landlords from discriminating against these families. We strongly believe that the original measure included language that would address rental discrimination and would complement these proposed landlord incentives. We would hope that the language could be re-inserted going forward.

The HPHA appreciates the opportunity to provide the Committees with the HPHA's testimony. We thank you very much for your dedicated support.



CATHOLIC CHARITIES HAWAI'I

COMMENTS on HB 1752 HD3: RELATING TO HOUSING

TO: Senate Committees on Judiciary and Ways and Means
FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawai'i
Hearing: **Tuesday, 4/5/22; 10:05 AM; via videoconference**

Chair Rhoads, Chair Dela Cruz, and Members, Committees on Judiciary and Ways and Means::

Thank you for the opportunity to provide **Comments on HB 1752, HD3**, which would establish the housing choice voucher landlord incentive program, and require the Hawaii Public Housing Authority to adopt rules to establish a maximum period of 15 days for unit inspections for the Section 8 program. I am Rob Van Tassell, with Catholic Charities Hawai'i. We are also a member of Partners In Care (PIC).

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for 75 years. CCH has programs serving elders, children, families, homeless, and immigrants. Our mission is to provide services and advocacy for the most vulnerable in Hawai'i. Catholic Charities Hawai'i has a long history of working in the areas of affordable housing and homelessness.

We support creating incentives to address issues raised by landlords for the Housing Choice Voucher (Section 8) Program. This federal program brings tens of millions of dollars into Hawai'i to make rents affordable. We recognize that we must support landlords as well as tenants in this program. Adding incentives to reduce the burden that inspections or other program requirements may place on landlords would be helpful to increase the inventory of Section 8 units.

Suggested Amendment: We feel that there needs to be a balance between addressing landlord concerns and the concerns of tenants who need housing and can pay stable rent with a voucher. **Catholic Charities Hawai'i urges that there needs to be a strong prohibition of source of income discrimination to really address the root problem of the lack of rentals available to people who absolutely need some government rental assistance to obtain and become stable in housing. We respectfully urge your Committee to add language to HB 1752 to prohibit this discrimination.** We suggest that language from SB 206 be added to this bill. The original version of HB 1752 did include a prohibition of discrimination; however, this section was confusing and was removed from the original bill. Adding a strong prohibition of discrimination would create a balanced approach for this critical issue.

As long as landlords can legally discriminate against persons with housing subsidies, they often do an automatic screening out. The prohibition of this discrimination would give a chance for an elder, or a veteran, or a working family to speak directly to the landlord and tell their story, instead of being shut out of housing. It would give a chance for landlords to hear that there ARE good tenants and even incentives that may be beneficial to them. Not only homeless people need a chance, but many working families and elders with stable but low incomes could move away from the edge of homelessness and be good tenants if they could utilize their Section



8 voucher or other rental subsidies. Landlords could continue to evaluate all applicants on their ability to pay rent, credit worthiness, etc. And now they could hear of the benefits of incentives, such as in this bill, along with the stable monthly payments that vouchers provide.

Honolulu is one of the largest metropolitan areas in the US that does not prohibit this practice. Sixteen states and 100 municipalities throughout the US prohibit this discrimination. With Hawaii's severe housing crunch and high rate of homelessness, it is time to establish a strong prohibition of discrimination only because someone has a rent subsidy.

Catholic Charities Hawai'i is very concerned about our Kupuna. Our Kupuna have worked long and hard to make Hawai'i the special place it now is. They and the many others faced with discrimination deserve a chance to be considered just as any other applicant. We are very concerned about housing single parents, especially the many lower income women with children. Source of income discrimination is sometimes a veiled form of sex and family/children discrimination.

CCH's Housing Assistance Program currently has 53 seniors who are over 62 on our urgent waitlist. The average age is 75 years old! They are often long term renters who have been displaced. K. cannot afford an increase in rent (\$1,200/month) and is afraid of becoming homeless. D's lease ended and could not afford a new rental due to low income, so is living in a van. C's brother died and the heirs want her out in a few months. These sad stories go on and on. **Their only hope is to utilize ongoing rental assistance programs. Please give them hope.** Please do not allow discrimination to continue to make so many elders face homelessness, when they have a solution in hand—stable rental assistance.

In areas that prohibit this type of discrimination, renters with housing vouchers are 12% more likely to obtain housing than in areas that do not prohibit this discrimination. Hawai'i needs all the help it can get to stably house our lower income families and to end homelessness! Hawai'i residents must not be shut off from using these extremely valuable resources.

Please contact our Legislative Liaison, Betty Lou Larson at (808) 373-0356 or alohabettylou@hotmail.com if you have any questions.

PARTNERS IN CARE

Oahu's Continuum of Care

Our mission is to eliminate homelessness through open and inclusive participation and the coordination of integrated responses.

COMMENTS ON HB 1752 HD3: RELATING TO HOUSING

TO: Senate Committees on Judiciary and Ways and Means
FROM: Partners In Care (PIC)
Hearing: **Tuesday, 4/5/22; 10:05 AM; via videoconference**

Chair Rhoads, Chair Dela Cruz, and Members, Committees on Judiciary and Ways and Means:

Thank you for the opportunity to provide **Comments on HB 1752 HD3**, which would create a landlord incentive program for Section 8, and require the Hawaii Public Housing Authority to adopt rules to complete the housing inspection within 15 days. Partners In Care (PIC), a coalition of more than 60 non-profit homelessness providers and concerned organizations, works on Oahu to end homelessness.

Partners In Care works with landlords in our Oahu Housing Now program. We have successfully now placed over 300 families into permanent housing, many utilizing rental assistance programs and landlord incentives that we have available. We have seen that the incentives that we can offer to landlords work. We have seen the benefits both to stabilize rents for the formerly homeless tenants and the landlords. However, our effectiveness is hampered due to the lack of landlords who will consider this valuable resource. For example, one homeless individual was issued a voucher in February 2021, and although they received multiple extensions and submitted multiple applications each week, were still unable to find a landlord willing to consider the housing voucher as of November 2021.

While we support the incentives in this bill, Partners In Care also respectfully urges you to **amend this bill to include a strong prohibition of source of income discrimination. We respectfully suggest that language from SB 206 be added to this bill.** Our community should work on landlord concerns like the time for inspections, and other creative incentives, but we also need a level playing field for voucher holders to access available rentals.

Honolulu remains one of the largest metropolitan areas in the United States that does not have a state or local prohibition on this practice, which may inadvertently be contributing to our high levels of housing insecurity. A high percentage of Section 8 participants are single women with children. Allowing source of income discrimination may sometimes result in sex or family/children discrimination.

During the pandemic, more and more people have sought housing assistance and the tens of millions of Section 8 dollars and other subsidies have also supported landlords. The federal government responded to the pandemic by allocating hundreds of new Section 8 vouchers to the counties and state. Recently, Hawai'i received 700 new Housing Vouchers. President Biden's proposed budget includes BILLIONS of dollars to increase Section 3 vouchers. If Hawai'i cannot use these vouchers, this valuable resource may be lost. Hawai'i needs to protect households with housing assistance from discrimination, allowing them to apply and be judged on the same tenancy

qualifications as other applicants instead of being judged only on their participation in a rental assistance program. It would not change the current standards of the industry and would allow landlords to verify income sources and evaluate prospective tenants like they would other tenants, including based on creditworthiness.

Year after year, our housing crisis has worsened, and homelessness increased. The pandemic has revealed that housing stability is key for the future of our State. The State must encourage greater participation in comprehensive housing programs that stabilize our local families, help them compete with out-of-state renters, help sustain Hawai'i's middle class, and increase upward social mobility, while directly addressing Hawai'i's housing and homelessness challenges.

We urge your support for a balanced approach that prohibits discrimination based on an applicant participating in government rental assistance programs, as well as providing incentives to landlords to address concerns about timeliness, loss of income, damages, etc.

We urge you to amend HB 1752, HD3 to include:

- 1) The full prohibition of source of income discrimination as well as
- 2) The enforcement via private civil action in court with damages that are high enough to dissuade this practice, including compensation for legal fees.
- 3) **Sixteen states and 100 municipalities throughout the US prohibit this discrimination.**

Mahalo.



HAWAI' APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai'i Appleseed Center for Law and Economic Justice
SUPPORTING HB1752 HD3 – Relating to Housing
Conference Room 016 & Videoconference
Tuesday, April 5th, 2022 at 10:05AM

Aloha Chair Rhoads, Chair Dela Cruz, and members of the senate committees on Judiciary and WAM,

Appleseed is writing **in support of HB1752, HD3 as well as offering comments**. We support the intentions of HB1752 to establish the housing choice voucher landlord incentive program within the Hawaii Public Housing Authority (HPHA). This program gives financial assurance to landlords and establishes a maximum inspection time to 15 days, this will positively engage landlords in voucher programs.

We are also offering **comments HB1752, HD3** as the bill does not offer protections against source of income discrimination, therefore we **encourage that the committee inserts language from SB206 SD2 to prohibit source of income discrimination** in both advertisement and practice. Adding this language will address a key barrier to housing for many low-income and homeless individuals and families throughout the state. Prohibiting voucher discrimination is a critical step in enabling Hawaii residents to have a fair chance to obtain very affordable long-term housing and is a solving our affordable housing crisis. Rental housing discrimination is making it impossible to find housing for tenants who are employed, have a deposit, and are prepared to take care of their new home, protecting against income discrimination is an important part of solving our affordable housing crisis. We urge this committee to add protections for voucher programs into HB1752, HD3.

Mahalo for this opportunity to testify

April 5, 2022

The Honorable Karl Rhoads, Chair

Senate Committee on Judiciary

The Honorable Donovan M. Dela Cruz, Chair

Senate Committee on Ways and Means

Via Videoconference

RE: H.B. 1752, HD3, Relating to Housing

HEARING: Tuesday, April 5, 2022, at 10:05 a.m.

Aloha Chair Rhoads, Chair Dela Cruz, and Members of the Committee,

I am Ken Hiraki, Director of Government Affairs, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i, and its over 11,000 members. HAR **supports the intent** of House Bill 1752, HD3, which establishes the Housing Choice Voucher Landlord Incentive Program. Requires the Hawaii Public Housing Authority ("HPHA") to adopt rules without regard to chapter 91, HRS, to establish specified incentives for landlords who participate in the Tenant-based Assistance Housing Choice Voucher Program under section 8 of the United States Housing Act of 1937. Requires that the HPHA to adopt rules to establish a maximum of 15 days after receipt of an owner's or landlord's inspection request as a reasonable time within which to inspect a dwelling unit for lease under the section 8 housing choice voucher program. Appropriates funds.

HAR believes that government subsidized housing assistance programs, such as Section 8, are an important part of our community's social safety net. However, the section 8 process mandates additional paperwork, inspections and processes, which is not required by other applicants. As a result, housing providers participating in section 8 often forfeit their first month's rent in addition to having to wait 3 months or longer for a subsequent rental check. While property managers may possess the experience and knowledge necessary to navigate safely through this process, it is often too complex, expensive and time consuming for a mom-and-pop housing provider. As such, the amount of red tape within the process disadvantages both a housing provider and a tenant.

The more we make the process competitive and similar in timeframes to market rentals, the more housing providers would be willing to participate and the quicker tenants will be able to move in to a place to call home.

Mahalo for the opportunity to testify.



LATE

Committee on Judiciary
Chair Rhoads, Vice Chair Keohokalole

Tuesday April 5 2022, 10:05 am, Room 211 & Videoconference

Committee on Ways and Means
Chair Dela Cruz, Vice Chair Keith-Agaran

HB1752 HD3 — RELATING TO HOUSING

TESTIMONY

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

Chairs Rhoads and Dela Cruz, Vice Chairs Keohokalole and Keith-Agaran, and Committee Members:

The League of Women Voters of Hawaii supports HB1752 HD3 which establishes the housing choice voucher landlord incentive program; requires the Hawaii public housing authority to adopt rules to establish incentives for landlords who participate in the tenant-based assistance housing choice voucher program under section 8 of the United States Housing Act of 1937; requires that the Hawaii public housing authority adopt rules to establish a maximum of fifteen days after receipt of an owner's or landlord's inspection request as a reasonable time within which to inspect a dwelling unit for lease under the section 8 housing choice voucher program; and appropriates unspecified funds.

The League of Women Voters supports legislation addressing the housing crisis that confronts very low- and extremely low-income families. The effects of this crisis are seen in almost every community in Hawaii. HB1752 HD3 takes steps to increase the availability of Section 8 housing units, a critical unmet need.

We regret that the amount and use of funds included in the original bill have been replaced by unspecified funds. This seems to us like a perpetuation of asking state agencies, often already barely able to fulfill their obligations, to do more without more staff and support. The 15-day timeline for inspections, in particular, would justify increased staffing.

We hope to see the implementation of this legislation as soon as possible – every year before its implementation will see more people unable to access housing through the Section 8 vouchers which are their only hope for affordable housing.

Thank you for the opportunity to submit testimony.



Hawaii
Children's Action Network Speaks!
Building a unified voice for Hawaii's children

Hawai'i Children's Action Network Speaks! is a nonpartisan 501c4 nonprofit committed to advocating for children and their families. Our core issues are safety, health, and education.

To: Senate Committees on Ways and Means and on Judiciary

Re: **HB 1752, HD3 - Relating to Housing**
Hawai'i State Capitol, Conference Room 211 & Videoconference
April 5, 2022, 10:05 AM

Dear Chairs Dela Cruz and Rhoads, Vice Chairs Keith-Agaran and Keohokalole, and Committee Members,

On behalf of Hawai'i Children's Action Network Speaks!, I am writing in SUPPORT with suggested AMENDMENTS to HB 1752, HD3, relating to housing. This bill would establish the housing choice voucher landlord incentive program.

It is well known that Hawai'i has the highest housing costs in the nation. According to the National Low-Income Housing Coalition, the "housing wage" needed to afford a one-bedroom apartment in Hawai'i in 2021 was \$28.86. Meanwhile, the average renter's wage didn't even come close, at \$17.56 per hour.¹

That's why housing vouchers are arguably more important in Hawai'i than in other states. Housing vouchers help low-income renters – especially families with children – afford housing by providing vouchers that they can spend on rent. But many landlords discriminate against housing voucher holders by refusing to rent to them.

It is also well known that housing instability has harmful effects on children's health and educational outcomes.² In other words, housing voucher discrimination is not just a contributing factor to Hawai'i's current homelessness and housing affordability crises, but it also has long-term effects on our keiki's future success.

We support the establishment of the incentive program in this bill to encourage more landlords to accept housing choice vouchers. However, in order to ensure that this program is as effective as possible, our state also should join the growing number of jurisdictions across the country have prohibited housing voucher discrimination, with a strong and effective protections for renters.³

Therefore, we respectfully request that strong language prohibiting housing voucher discrimination be added to this bill, such as that contained in SB 206, SD2.

Mahalo for the opportunity to provide this testimony. Please pass this bill with our suggested amendments.

Thank you,
Nicole Woo, Director of Research and Economic Policy

¹ <https://reports.nlihc.org/oor/hawaii>

² <https://housingmatters.urban.org/articles/how-housing-affects-childrens-outcomes>

³ <https://www.cbpp.org/research/housing/prohibiting-discrimination-against-renters-using-housing-vouchers-improves-results>

HB-1752-HD-3

Submitted on: 4/2/2022 8:26:55 PM

Testimony for JDC on 4/5/2022 10:05:00 AM

Submitted By	Organization	Testifier Position	Testify
Arjuna	Individual	Support	Written Testimony Only

Comments:

Writing in support of HB1752, HD3 as well as offering comments. We support the intentions of HB1752 to establish the housing choice voucher landlord incentive program within the Hawaii Public Housing Authority (HPHA). This program gives financial assurance to landlords and establishes a maximum inspection time to 15 days, this will positively engage landlords in voucher programs.

Offering comments on HB1752, HD3 as **the bill does not offer protections against source of income discrimination, therefore we encourage that the committee inserts language from SB206 SD2 to prohibit source of income discrimination in both advertisement and practice. Adding this language will address a key barrier to housing for many low-income and homeless individuals and families throughout the state.** Prohibiting voucher discrimination is a critical step in enabling Hawaii residents to have a fair chance to obtain very affordable long-term housing and is solving our affordable housing crisis. Rental housing discrimination is making it impossible to find housing for tenants who are employed, have a deposit, and are prepared to take care of their new home, protecting against income discrimination is an important part of solving our affordable housing crisis. We urge this committee to add protections for voucher programs into HB1752, HD3.

HB-1752-HD-3

Submitted on: 4/3/2022 10:00:28 PM

Testimony for JDC on 4/5/2022 10:05:00 AM

Submitted By	Organization	Testifier Position	Testify
Chris Molina	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Chair Dela Cruz, and members of the senate committees on Judiciary and Ways and Means,

I would like to testify in support of this bill. I believe that we need more incentives for landlords who are supporting those in our community with housing choice vouchers. These incentives for landlords may help to support those who have received these vouchers and are struggling to find housing. I have heard that people often wait years to receive these vouchers and are unable to secure housing after they receive the voucher and even have to ask for several extensions of the voucher because of the challenges of finding a home and even after several extensions may be in jeopardy of losing that voucher. Providing additional incentives will let these landlords know that they are an important part of solving the affordable housing crisis in our state.

I would like to see the bill offer protections against source of income discrimination, therefore I encourage that the committee inserts language that prohibits source of income discrimination in both advertisement and practice. Rental housing discrimination is making it impossible to find housing for tenants who are employed, have a deposit, and are prepared to take care of their new home, protecting against income discrimination is an important part of solving our affordable housing crisis.

Mahalo for your time and consideration,

Chris Molina

House District 16

Senate District 8



EXECUTIVE CHAMBERS
HONOLULU

April 5, 2022

TO: The Honorable Senator Karl Rhoads, Chair
Senate Committee on Judiciary

The Honorable Senator Donovan M. Dela Cruz, Chair
Senate Committee on Ways and Means

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

SUBJECT: **HB 1752 HD3 – RELATING TO HOUSING.**

Hearing: Tuesday, April 5, 2022, 10:05 a.m.
VIA VIDEO CONFERENCE
State Capitol, Conference Room 211

POSITION: The Governor's Coordinator on Homelessness supports this measure with amendments. Specifically, the Coordinator requests that the source of income discrimination protections in SB206 SD1 be inserted as a new Part to this measure.

If this measure proceeds, the Coordinator respectfully requests that its passage does not replace or adversely impact priorities indicated in the executive budget request.

PURPOSE: The purpose of Part I of this bill is to establish the housing choice voucher landlord incentive program within the Hawaii Public Housing Authority (HPHA); require HPHA to adopt rules without regard to chapter 91, Hawaii Revised Statutes, to establish specified incentives for landlords who participate in the tenant-based assistance housing choice voucher program under section 8 of the United States Housing Act of 1937. In addition, Part II requires the HPHA to adopt rules to establish a maximum of fifteen days after receipt of an owner's or landlord's inspection request as a reasonable time within which to inspect a dwelling unit for lease under the section 8 housing choice voucher program. The bill also makes appropriations for both parts.

The Coordinator notes that prior versions of this bill included language to address source of income discrimination relating to rental housing. If this measure proceeds, the Coordinator respectfully requests adding source of income protections from SB206 SD1 as a new Part to this measure.

Providing targeted incentives for landlords and shortening the periods for unit inspection will encourage increased landlord participation and acceptance of Section 8 housing assistance. Notably, other housing programs, such as the State and City Housing First programs and Partners in Care's Oahu Housing Now (OHN) program, include similar incentives that positively impact landlord engagement. For example, the State and City Housing First programs include damage mitigation payments for landlords. Also, the Partners in Care OHN program offers additional incentives, such as a 24-hour landlord support line, a two-month lease bonus, and up to \$3,000 for damage mitigation. The inclusion of landlord incentives in the OHN program contributed to the program housing over 292 households (759 individuals) since April 2021.

Increased landlord participation in housing assistance programs is critical given the ongoing COVID-19 pandemic and its impacts on low-income households. In January 2021, the Economic Roundtable released a report projecting the pandemic recession would increase chronic homelessness in the United States by 49% over the next four years. Similarly, historical data for the statewide homeless Point in Time (PIT) count also indicates that demand for homeless services is likely to increase in the wake of the current economic recession. Following the last significant downturn in 2009, the statewide PIT count increased 37% between 2009 and 2016. By incentivizing landlord participation in the HPHA Section 8 Housing Choice Voucher program, this bill effectively reduces upfront barriers prohibiting low-income families from accessing existing rental housing and housing assistance.

Thank you for the opportunity to testify on this bill.



Building strength and stability through shelter

LATE

Joint Senate Committee on Judiciary and Ways and Means
Tuesday, April 5, 2022
Video Conference, 10:05 a.m.

HB1752 HD3 – SUPPORT WITH COMMENTS

Aloha Committee Chairs Rhoads and Dela Cruz, Vice-Chairs Keohokalole and Keith-Agaran and members,

I am submitting testimony in my capacity as Program Manager of Hawaii Habitat for Humanity Association (HHFHA), a nonprofit community development financial institution and Affiliate Support Organization for the direct service Habitat for Humanity organizations across the state to **SUPPORT HB1752 HD3 with comments.**

Hawaii Habitat supports the intentions of HB1752 to establish the housing choice voucher landlord incentive program within the Hawaii Public Housing Authority (HPHA). This program gives financial assurance to landlords and establishes a maximum inspection time to 15 days, this will positively engage landlords in voucher programs.

We offer **comments to HB1752, HD3** as the bill does not offer protections against source of income discrimination, therefore we **encourage that the committee inserts language from SB206 SD2 to prohibit source of income discrimination** in both advertisement and practice. Adding this language will address a key barrier to housing for many low-income and homeless individuals and families throughout the state. Prohibiting voucher discrimination is a critical step in enabling Hawaii residents to have a fair chance to obtain very affordable long-term housing and is a solving our affordable housing crisis. Rental housing discrimination is making it impossible to find housing for tenants who are employed, have a deposit, and are prepared to take care of their new home, protecting against income discrimination is an important part of solving our affordable housing crisis. We urge this committee to add protections for voucher programs into HB1752, HD3.

Mahalo for your time, leadership and consideration. Please contact me directly at 425.829.8231 or susan@hawaiihabitat.org should you have any questions or need additional information.

Sincerely,

Susan Le

Susan Le
Program Manager