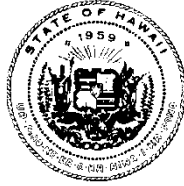


DAVID Y. IGE  
GOVERNOR



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 HOUSING**

**Tuesday, March 15, 2022**  
**1:00 PM – Videoconference – Room 225, Hawaii State Capitol**

In consideration of  
**HB 1859, HD1**  
**RELATING TO HOUSING**

Honorable Chair Chang, and Members of the Senate Committee on Housing, thank you for the opportunity to provide testimony concerning House Bill (HB) 1859, HD1, relating to housing.

The Hawaii Public Housing Authority (HPHA) **supports** the enactment of HB 1859, HD1, which appropriates funds to the HPHA for the State Rent Supplement Program (RSP), so long as it does not adversely affect the Governor's Supplemental Budget.

The RSP is a State funded program that was originally set up to assist middle-income families, who were not threatened by poverty, but were not economically sound to afford the high cost of living in Hawaii. The program was originally designed to assist teachers, policemen, and firemen. The program was later extended to include the general public and has a maximum rental subsidy of \$500. This program is the most impactful and cost-effective program in homelessness prevention as it keeps its participants housed and employed and is currently keeping out of homelessness approximately 75% of participants who are age 50 and over and approximately 55% who are 62 and over.

The RSP program is facing a deficit of approximately \$500,000 for the upcoming fiscal year. The HPHA hopes that the Legislature can provide the funding needed to continue assisting the current

families who are using this financial support to avoid homelessness. Please note that the HPHA has finalized its Administrative Rules and has a mechanism in place to terminate existing families from the program should there be a funding shortfall due to competing priorities.

Additionally, if the Legislature wishes for the HPHA to open its waitlist to assist an additional 200 new families, please know that approximately \$1,000,000 and 1 Public Housing Specialist II position will be needed.

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

DAVID Y. IGE  
GOVERNOR



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  
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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 COMMITTEE ON HOUSING  
ON  
HOUSE BILL NO. 1859, H.D. 1

**March 15, 2022**  
**1:00 p.m.**  
**Room 225 and Videoconference**

RELATING TO HOUSING

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

House Bill No. 1859, H.D. 1, appropriates an unspecified amount of general funds in FY 23 to the Hawai'i Public Housing Authority to provide additional funding for the State Rent Supplement Program (SRSP).

B&F notes that the FY 23 Executive Supplemental Budget already includes \$1,389,670 in general funds in HMS 222's budget in FY 23 to maintain SRSP housing subsidy payments for existing program participants.

B&F also notes that, with respect to the general fund appropriation 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.

# PARTNERS IN CARE

*Oahu's Continuum of Care*

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

## TESTIMONY IN SUPPORT OF HB 1859 HD1 RELATING TO HOUSING

TO: Senate Committee on Housing,  
FROM: Partners In Care (PIC)  
Hearing: Tuesday, March 15<sup>th</sup>, 2022, 1:00pm  
Position: **SUPPORT**

Chair Chang and Members of the Committee on Housing:

Partner In Care, Oahu's Continuum of Care, stands in **support** of **HB 1859 SD1 RELATING TO HOUSING**. This measure appropriates funds to the state rent supplement program. Due to the high cost of living here in Hawaii, many families have benefited from a shallow subsidy to help them make ends meet and help them attain and maintain housing. For many, this shallow subsidy helps to pull families and individuals from the precipice of falling into homelessness.

The relatively low cost of a shallow subsidy is no comparison to the expenses associated with remaining homeless. Once a person becomes homeless, their support networks are taxed and the effort associated with getting back into housing make it extremely difficult and costly. Remaining on the streets affects health, schooling and the ability to keep a job. A shallow subsidy can make a huge difference in our community.

Thank you for the opportunity to testifying on this measure. Please do not hesitate to contact us if you have any questions.

Aloha



## CATHOLIC CHARITIES HAWAII

### TESTIMONY IN SUPPORT OF HB 1859 HD1: RELATING TO HOUSING

**TO:** Senate Committee on Housing  
**FROM:** Rob Van Tassell, President and CEO, Catholic Charities Hawai'i  
**Hearing:** **Tuesday, March 15, 2022; 1:00 pm; via videoconference**

Chair Chang, Vice Chair Kanuha, and Members, Committee on Housing:

Thank you for the opportunity to provide testimony **in Strong Support** of **HB 1859 HD1**, which appropriates funds to the Hawaii Public Housing Authority for the State Rent Supplement 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.

Catholic Charities Hawai'i has worked for many years with the Rent Supplement Program and has found it to be a very successful program for our clients. Struggling families find this shallow subsidy to be the difference between financial insecurity and stable housing, between constant worry about how to pay the rent and being able to focus on improving their lives, educating their children and enjoying life. Funding to expand this shallow subsidy program would be a godsend to the families of Hawai'i.

*Hawaii Perspectives 2019*, a large survey of Hawaii voters, reports that "compared with 2015, far fewer Hawaii voters think they are "better off" than they were 12 months prior (35% vs 51% in 2015). An amazing 45% of residents may leave Hawai'i largely due to the cost of living, and housing is of high concern. The Report found that "Voters say to improve life, make it more affordable." In this environment, the **State Rent Supplement Program is important not only to the families it will help stabilize, but for the overall State efforts to improve living conditions for our residents.**

This shallow subsidy would help ALICE families that are closer to self-sufficiency but still have a gap between their incomes and the cost of a rental. It is also a critical tool to help our elderly remain safely in our communities. About 75% of the current recipients are aged 50+ and about 55% are aged 62 or older. Any shortfall in funding for the current program could force some of these seniors into homelessness. No family, and especially no elderly family, could afford a \$400 or \$500 increase in rent if they lost this monthly subsidy.

We urge your support for this bill that closes the affordability gap, and lessens economic insecurity. Please contact our Legislative Liaison, Betty Lou Larson at (808) 373-0356 or [alohabettylou@hotmail.com](mailto:alohabettylou@hotmail.com) if you have any questions.



## TESTIMONY IN SUPPORT OF HB 1859, HD 1

TO: Chair Chang, Vice Chair Kanuha, & Committee Members

FROM: Nikos Leverenz  
Grants & Advancement Manager

DATE: March 15, 2022 (1:00 PM)

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Hawai'i Health & Harm Reduction Center (HHRC) **supports** HB 1859, HD 1, which appropriates funds to the Hawaii Public Housing Authority for the State Rent Supplement Program.

As noted in the bill findings, there is an affordability gap specific to households who are closer to financial self-sufficiency than those that use subsidies like Section 8. The state rent supplement program “provides an ongoing subsidy, enabling homeless households or those at imminent risk of homelessness to close the affordability gap, maintain housing, and achieve self-sufficiency.”

HHRC Executive Director Heather Lusk currently serves as Board Chair of [Partners in Care O'ahu](#), a planning, coordinating, and advocacy alliance that develops recommendations for programs and services to fill needs within O'ahu's continuum of care for homeless persons.

HHRC's mission is to reduce harm, promote health, create wellness, and fight stigma in Hawai'i and the Pacific. We work with many individuals impacted by poverty, housing instability, and other social determinants of health. Many have behavioral health problems, including those related to substance use and mental health conditions. Many of our program clients and participants have also been deeply impacted by trauma, including histories of physical, sexual, and psychological abuse.

Thank you for the opportunity to testify on this measure.