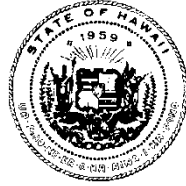


DAVID Y. IGE  
GOVERNOR



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

**HOUSE COMMITTEE ON HOUSING**

**Thursday, March 17, 2022**  
**9:00 AM – Video Conference – Room 423, Hawaii State Capitol**

In consideration of  
**SB 2504, SD2**  
**RELATING TO THE HAWAII PUBLIC HOUSING AUTHORITY**

Honorable Chair Nakamura, and Members of the House Committee on Housing, thank you for the opportunity to provide testimony concerning Senate Bill (SB) 2504, SD2, relating to the Hawaii Public Housing Authority.

The Hawaii Public Housing Authority (HPHA) **supports**, the enactment of SB 2504, SD2, which establishes the landlord incentive program special fund to reimburse land owners who participate in certain housing voucher programs for repair costs of tenant-caused property damage when the repair costs exceed the tenant's security deposit, so long as it does not adversely affect the Governor's Supplemental Budget.

In October of 2021, the HPHA applied for the last spot available nationwide for large public housing authorities to join the "Moving to Work" (MTW) Demonstration Program expansion – Landlord Incentives Cohort with the U.S. Department of Housing and Urban Development (HUD). The MTW designation would allow the HPHA the flexibility to use its currently restrictive federal funding to increase economic self-sufficiency and prosperity, create innovative local solutions to address unique needs in Hawaii, and would increase housing choices for low-income families in Hawaii.

The HPHA's application would seek to implement 3 landlord incentives:

1. Provide a landlord up to 1 month of contract rent as reimbursement for the time the unit spent vacant in between Section 8 participants.
2. Provide a landlord up to 1 month of contract rent as reimbursement for the time the unit spent vacant when the previous tenant was not a Section 8 participant.

3. Provide an incentive payment, or “signing bonus”, of up to 1 month of contract rent to incentivize landlords to join the Section 8 program.

On January 27, 2022, the HPHA received an award letter from HUD indicating that the HPHA was selected for admission to HUD’s Landlord Incentives Cohort of the MTW Demonstration Program. The HPHA believes that by creating the landlord incentive program special fund to include these rent reimbursement landlord incentives, combined with the ability to reimburse land owners for repair costs of tenant-caused property damage when the repair costs exceed the tenant's security deposit, will be an extremely useful tool that will allow the HPHA to increase the effectiveness of administering the Section 8 program.

The HPHA accepted the designation and anticipates that it will take approximately 1 year to complete its MTW plan and officially roll out the landlord incentives. With the initial creation of this special fund and General Fund appropriation, 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.

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. Therefore, the proposed landlord incentive program fund will certainly make a difference in the lives of our most disadvantaged families by assisting them to find suitable permanent housing.

The HPHA appreciates the opportunity to provide the Committee with the HPHA’s testimony regarding SB 2504, SD2. We thank you very much for your dedicated support.

DAVID Y. IGE  
GOVERNOR



**LATE**

EXECUTIVE CHAMBERS  
HONOLULU

March 17, 2022

TO: The Honorable Representative Nadine K. Nakamura, Chair  
House Committee on Housing

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

SUBJECT: **SB 2504 SD2 – RELATING TO THE HAWAII PUBLIC HOUSING AUTHORITY.**

Hearing: Thursday, March 17, 2022, 9:00 a.m.  
VIA VIDEO CONFERENCE

**POSITION:** The Governor's Coordinator on Homelessness supports this measure, provided that its passage does not replace or adversely impact priorities indicated in the executive budget request.

**PURPOSE:** The purpose of the bill is to establish the landlord incentive program special fund. The bill also makes an appropriation into and out of the special fund for fiscal year 2022-2023 for the landlord incentive program.

In December 2021, the Hawaii Interagency Council on Homelessness (HICH) – a 27-member advisory council chaired by the Coordinator – adopted policy priorities for the 2022 legislative session, including adopting policies to address upfront barriers to accessing rental housing. A key barrier identified by homeless service providers is that many landlords are reluctant to rent to individuals who receive housing assistance through a Section 8 Housing Choice Voucher. A number of advertisements for housing specifically state “No Section 8” or “No Vouchers.” The stories and feedback related to the challenges faced by Section 8 voucher holders are captured online in interviews with landlords, service providers, and homeless individuals at: <https://homelessness.hawaii.gov/landlord-engagement>.

This bill will specifically address the reluctance to accept Section 8 assistance by establishing a fund to provide a targeted incentive to landlords to encourage greater

participation in the program. The Coordinator notes that the State Housing First program and City & County of Honolulu Housing First programs include similar provides to provide damage mitigation payments to landlords participating in their respective programs. In addition, Partners in Care's [Oahu Housing Now \(OHN\) program](#) provides additional incentives to encourage landlord participation, 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 has enabled OHN to house 287 households (750 individuals) since April 2021.

The Coordinator notes that other strategies to address landlord reluctance to participate in Section 8 include adoption of policies to address 'source of income' discrimination impacting individuals enrolled in housing assistance programs, such as Section 8. There are a number of bills introduced to enact source of income discrimination policies locally, including two administrative bills carried over from the 2021 session – [SB 1135 SD1](#) and [HB 981 HD1](#). In addition, [SB206 SD1](#) is being heard by this committee later today. The implementation of a source of income discrimination policy would provide for penalties for landlords engaging in active discrimination, like penalties for landlords who engage in discriminatory practices based on gender, sexual orientation, or race.

The need for landlord incentive programs and related policies is especially critical given the ongoing COVID-19 pandemic and its impacts on low-income households. In January 2021, the Economic Roundtable released a report that projected 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. Increasing funding for the state rent supplement program will provide ongoing housing support and is an additional tool to prevent at-risk families with minor children from experiencing housing instability or falling into homelessness.

Providing landlord incentives is just one piece of a more comprehensive effort to address homelessness and housing instability. In addition, the HICH prioritizes low-income housing development for individuals transitioning out of homelessness, expanding shallow

rental subsidy programs, and expanding programs that assist key homeless sub-populations (e.g., unsheltered youth, adults with severe mental illness, etc.). For more information about the 2022 HICH policy priorities, please visit <https://homelessness.hawaii.gov/advocacy>.

Thank you for the opportunity to testify on this measure.

DAVID Y. IGE  
GOVERNOR OF HAWAII



ELIZABETH A. CHAR, M.D.  
DIRECTOR OF HEALTH

**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  
March 17, 2022

**LATE**

The Honorable Representative Nadine K. Nakamura, Chair  
House Committee on Housing  
The Thirty-First Legislature  
State Capitol  
State of Hawai'i  
Honolulu, Hawai'i 96813

Dear Representative Nakamura Committee Members:

SUBJECT: SB2504 SD2 Relating to the Hawaii Public Housing Authority

The Hawaii State Council on Developmental Disabilities **SUPPORTS SB2504 SD2** which establishes the landlord incentive program special fund to reimburse landowners who participate in certain housing voucher programs for repair costs of tenant-caused property damage when the repair costs exceed the tenant's security deposit. Makes an appropriation.

Many individuals with intellectual/developmental disabilities (I/DD) benefit from Section 8 Housing Choice Voucher Program. Section 8 is a federally funded housing program that assists individuals with low-income, elderly, and or homeless persons afford a home to live in. For our individuals with I/DD, the section 8 program is the only way many can live independently and helps integrate them into our communities. In recent years we have seen more and more advertisements on places like "Craigslist" and other rental listing locations use the words "No Section 8" or a phrase similar to this, which immediately removes our I/DD community from a chance at these rental units. These discriminatory phrases on advertisements for rentals come from landlords unease around accepting Section 8 vouchers. Any programs that helps encourage landlords to accept Section 8 vouchers will directly support our individuals with I/DD.

Thank you for the opportunity to submit testimony in **support of SB2504 SD2**.

Sincerely,

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

Daintry Bartoldus  
Executive Administrator

DAVID Y. IGE  
GOVERNOR



CRAIG K. HIRAI  
DIRECTOR

GLORIA CHANG  
DEPUTY DIRECTOR

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

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

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 HOUSE COMMITTEE ON HOUSING  
ON  
SENATE BILL NO. 2504, S.D. 2



**March 17, 2022**  
**9:00 a.m.**  
**Room 423 and Videoconference**

RELATING TO THE HAWAII PUBLIC HOUSING AUTHORITY

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

Senate Bill (S.B.) No. 2504, S.D. 2, amends Chapter 356D, HRS, to establish the Landlord Incentive Program Special Fund (LIPSF) to be administered by the Hawai'i Public Housing Authority (HPHA) to provide rent reimbursement incentives and to reimburse land owners who participate in the Section 8 Housing Choice Voucher Program for repair costs of tenant-caused property damage when repair costs exceed the tenant's security deposit. The bill also appropriates an unspecified amount of general funds in FY 23 to be deposited into the LIPSF and appropriates an unspecified amount of special funds out of the LIPSF in FY 23 to HPHA for providing incentives and reimbursements as allowed by the Landlord Incentive Program.

B&F notes that, as a matter of general policy, B&F does not support the creation of any special fund, which does not meet the requirements of Section 37-52.3, HRS. Special funds should: 1) serve a need as demonstrated by the purpose, scope of work, and an explanation why the program cannot be implemented successfully under the

general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining. Regarding S.B. No. 2504, S.D. 2, there does not appear to be any significant source of revenues to support the LIPSF aside from appropriations from the general fund.

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.



HAWAI'I STATE  
COALITION AGAINST  
DOMESTIC VIOLENCE

March 17, 2022

Members of the House Committee on Housing:

Chair Nadine K. Nakamura  
Vice Chair Troy N. Hashimoto  
Rep. Henry J.C. Aquino  
Rep. Linda Clark  
Rep. Greggor Ilagan  
Rep. Lisa Kitagawa  
Rep. Matthew S. LoPresti  
Rep. Roy M. Takumi  
Rep. Bob McDermott

Re: SB2504 SD2 Relating to the Hawai'i Public Housing Authority

Dear Chair Nakamura, Vice Chair Hashimoto, and Members of the House Committee on Housing:

The Hawai'i State Coalition Against Domestic Violence (HSCADV) advances the safety and healing of victims, survivors and their families. We are the collective voice of a diverse network of organizations and individuals, working to eliminate all forms of domestic violence in Hawai'i by fostering partnership, increasing awareness of domestic violence, developing the capacity of our member programs and community partners to address the needs of survivors and their families, and advocating for social justice and change.

On behalf of HSCADV and our 26 member programs statewide, we **support SB2504 SD2**. [Thirty-eight percent of all domestic violence victims become homeless](#) at some point in their lives, and [57% of homeless women reported that domestic violence](#) was the immediate cause of their homelessness.

This bill would increase the opportunities for domestic violence survivors to secure housing when leaving their abusers. Through the special fund, landlords will have support for their concerns and may be more willing to accept individuals with housing vouchers, many of whom are domestic violence survivors. Damages are often cited as a concern of landlords and this bill would allow the Hawaii Public Housing Authority (HPHA) to initiate rent reimbursement incentives, as well as repair costs of tenant-caused damages. These could be effective to add landlords to its Section 8 inventory and enable Hawai'i to fully utilize any federal funds coming into the state, especially for vouchers which bring tens of millions of federal funding to our island landlords.

We urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Sincerely,  
Angelina Mercado, Executive Director



## CATHOLIC CHARITIES HAWAI'I

### TESTIMONY IN SUPPORT OF SB 2504 SD2: RELATING TO THE HAWAII PUBLIC HOUSING AUTHORITY

TO: House Committee on Housing  
FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawai'i  
Hearing: **Thursday, 3/17/22; 9:00 AM; via videoconference**

Chair Nakamura, Vice Chair Hashimoto, and Members, Committee on Housing:

Thank you for the opportunity to provide testimony **in Support** of SB 2504 SD2, which establishes and funds the landlord incentive program special fund to reimburse land owners who participate in certain housing voucher programs, for repair costs of tenant-caused property damages when they exceed the security deposit. 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 supports the flexibility in this bill to allow the Hawaii Public Housing Authority (HPHA) to initiate rent reimbursement incentives, as well as repair costs of tenant-caused damages. These could be effective to add landlords to its Section 8 inventory.

These incentives can creatively address landlord concerns that may make them hesitant to accept Section 8. For example, this fund could allow for a 2 week rent bonus to cover the time for the needed inspection when the landlord signs a contract for Section 8. Or it could offer landlords a one month rent bonus when they first join the Housing Choice Voucher Program. These incentives may entice landlords who had been unwilling to work with Section 8 due to stereotypes of Section 8 tenants. The incentive to help cover damages over the deposit amount may also encourage them to continue to accept voucher holders.

This flexible funding for incentives could enable the Hawaii Public Housing Authority to address the concerns of landlords in the most effective way over time.

Hawai'i needs to fully utilize any federal funds coming into the state, especially for vouchers which bring tens of millions of federal funding to our island landlords.

We urge your support for this bill and for flexible funding to make this very valuable resource work for both tenants and landlords.

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.



# 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 SB 2504 SD2: RELATING TO THE HAWAII PUBLIC HOUSING AUTHORITY

TO: House Committee on Housing,  
FROM: Partners In Care (PIC)  
Hearing: Thursday, March 17, 2022; 9:00 AM via videoconference  
Position: **SUPPORT**

Chair Nakamura, Vice Chair Hashimoto, and Members, Committee on Housing:

Partner In Care, Oahu's Continuum of Care, stands in support of **SB 2504 SD2 RELATING TO HAWAII PUBLIC HOUSING AUTHORITY**.

Partners In Care supports the establishment of the landlord incentive program special fund to support landlords and property owners who participate in the State Section 8 housing choice voucher program. We support this measure which has been amended to also include other housing voucher programs beyond Section 8 to include Rapid Rehousing Vouchers and Permanent Housing Vouchers administered by the State.

Partners In Care has been administering a similar program through the City Landlord Engagement Program for the last 2 years. During this program we have provided landlord incentives such as damage mitigation, move-in costs and homeless prevention. This enables us to work with landlords who may otherwise not have been willing to work with voucher programs due to past experiences or misconceptions about the people who utilize these vouchers.

The Landlord Engagement Program has assisted more than 1,000 individuals with housing over the last 2 years and although money has been set aside to address damages and other items, this funding source has only been used in a few situations. The recognition that a unit or house is a landlords asset and that they want to keep it in good shape, is appreciated by many of our landlords and has encouraged them to continue working with clients using housing vouchers.

Another important incentive that our landlords have appreciated is not related to funds, but rather to connections with providers who can support tenants when issues arise. Landlords often have no one to call, but with wrap around services provided in many of these voucher programs or through a landlord incentive program, landlords have someone they can call to address minor issues before they escalate and need the assistance of the police. This helps not only with the cost associated with damages, but also gives a landlord the piece of mind that a provider will be there to help a tenant and

the landlord. Attaining housing for folks exiting homelessness is a very difficult and time consuming process; this program will help bring more landlords to the table and help address homelessness in the best way possible, by providing affordable housing.

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

Aloha

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March 17, 2022

**The Honorable Nadine A. Nakamura, Chair**

House Committee on Housing

Via Videoconference

**RE: Senate Bill 2504, SD2, Relating to the Hawaii Public Housing Authority**

**HEARING: Thursday, March 17, 2022, at 9:00 a.m.**

Aloha Chair Nakamura, Vice Chair Hashimoto, 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** Senate Bill 2504, SD2, which establishes the landlord incentive program special fund to reimburse land owners who participate in the section 8 housing choice voucher program for repair costs of tenant-caused property damage when the repair costs exceed the tenant's security deposit.

HAR worked with the State, City and County of Honolulu, and various social service providers to host a Landlord Summit. The goal was to educate housing providers on the various government and social service programs that are available. Since then, REALTOR® Associations on Maui, Kaua'I, and Hawai'i Island have hosted their very own summits over the years.

Through the process, it is clear that there is a great need for both affordable housing and rentals and that efforts that encourage housing providers to participate in the Section 8 Program were also needed. As such, HAR believes that this measure would help to encourage housing providers to participate in the program.

Mahalo for the opportunity to testify.

**LATE**

**SB-2504-SD-2**

Submitted on: 3/16/2022 2:04:28 PM

Testimony for HSG on 3/17/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ashley Galacgac	AF3IRM Hawai'i	Support	Written Testimony Only

Comments:

**I am writing in strong support of SB2504 SD2.**

Housing insecurity greatly impacts working-class women and LGBTQIA+ people and these negative impacts have been exacerbated during the pandemic. Housing insecurity disproportionately impacts women of color the most as most make up a significant amount of low-income renters and are usually heads of households.

SB2504 SD2 will provide more access to affordable housing in our communities as landlords will be encouraged to participate in vital assistance programs, such as the section 8 voucher program.

Please pass this measure and fight for access to affordable housing for working-class women and LGBTQIA+ people in Hawai'i.



**LATE**

## TESTIMONY IN SUPPORT OF SB 2504, SD 2

TO: Chair Nakamura, Vice Chair Hashimoto, & Housing Committee Members

FROM: Nikos Leverenz  
Grants & Advancement Manager

DATE: March 17, 2022 (9:00 AM)

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Hawai'i Health & Harm Reduction Center (HHRC) **supports** SB 2504, SD 2, which provides incentives for landlords who participate in government rental assistance programs, including the federal housing choice voucher program (Section 8). We hope that this bill can be amended to prohibit discrimination in real estate transactions and requirements based on source of income.

This measure recognizes that many low-income persons and families who obtain needed assistance have great difficulty in finding and securing rentals in a perennially high-cost, low-supply housing landscape. This includes people living with HIV who receive federal housing assistance and are provided medical case management services by HHRC staff. Our staff engaged in homelessness prevention and housing-focused case management have struggled to find safe, stable, and affordable housing even when a program participant obtains housing assistance in the form of a voucher.

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.