

nakamura1 - Natalie

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 14, 2017 11:26 AM
To: HSGtestimony
Cc: Sarah.Allen@hawaii.gov
Subject: Submitted testimony for HB1240 on Feb 16, 2017 09:50AM
Attachments: HB_1240_AGS-SPO-02-16-17_HSG-HUS.pdf

Categories: Green Category

HB1240

Submitted on: 2/14/2017

Testimony for HSG/HUS on Feb 16, 2017 09:50AM in Conference Room 423

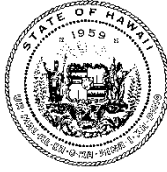
Submitted By	Organization	Testifier Position	Present at Hearing
Sarah Allen	State Procurement Office	Comments Only	No

Comments: The SPO recommends that the department procure the services of the master contractor in accordance with HRS chapter 103D or 103F, as applicable, and have oversight or manage the funds expended by the master contractor. The SPO also recommends that a fair and equitable procurement process be the deciding authority over selection of the provider agencies, and the master contractor be accountable for funds expended.

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DAVID Y. IGE
GOVERNOR



SARAH ALLEN
ADMINISTRATOR
MARA SMITH
ASSISTANT ADMINISTRATOR

**STATE OF HAWAII
STATE PROCUREMENT OFFICE**

P.O. Box 119
Honolulu, Hawaii 96810-0119
Tel: (808) 586-0554
email: state.procurement.office@hawaii.gov
<http://spo.hawaii.gov>
Twitter: [@hawaiispo](https://twitter.com/hawaiispo)

TESTIMONY
OF
SARAH ALLEN, ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE HOUSE COMMITTEES
ON
HOUSING
AND
HUMAN SERVICES

February 16, 2017, 9:50 A.M.

HOUSE BILL 1240
RELATING TO APPROPRIATIONS TO ADDRESS HOMELESSNESS

Chairs Brower, Morikawa, Vice-Chairs Nakamura, Todd and members of the committees, thank you for the opportunity to submit testimony on House Bill 1240. The State Procurement Office's (SPO) comments are limited to:

Section 2(1)(B), page 2, lines 11-12: The master contractor shall "have the deciding authority over selection of provider agencies."

Section 2(3), page 3, lines 6-8: "The total sum of funding shall be provided at the start of the coordinated statewide homeless initiative program to be managed by the master contractor."

Section 2, page 3, lines 9-12: "...any contracts executed and using the appropriations authorized pursuant to this Act shall not be subject to chapters 42F, 103D, and 103F, Hawaii Revised Statutes."

If this bill includes procuring and contracting for a master contractor, the SPO opposes that it be exempt from competitive procurement. The SPO also has serious concerns that the master contractor be the deciding authority for provider selection, the total funding be provided and managed by the master contractor, and that contracts pursuant to this Act be exempt from chapters 103D and 103F.

When a public organization finds itself with the responsibility of managing a complex multi-million dollar program without adequate resources and outsources management of the program, it is important to recognize that the public entity has fundamental inherent government functions that cannot be delegated to a contractor. When it relates to procurement, final decisions on how to spend taxpayers' money should be made by authorized, delegated public procurement officials.

Ultimately, it is the government's responsibility, not the contractor's, to manage the contracts it procures, to make all final decisions on what they want and how much they will pay for it, with the ever-present goal in mind of achieving a successful outcome whilst safeguarding taxpayers' money.

Chapters 103D and 103F are the single source of public procurement policy that is applied equally and uniformly, while providing fairness, open competition, and a level playing field. It also provides government disclosure, accountability and transparency in the consistent application of procurement and contracting processes, which is vital to good government and prevents favoritism, collusion, or fraud in awarding of a contract. To legislate exemption from compliance or to circumvent procurement statutes conveys a sense of disproportionate equality in the law's application, creating an imbalance wherein the future competitive environment becomes an arbitrary decision, less efficient and costlier for the taxpayers, state and vendors/providers.

Providing such large sums of funding to the master contractor to manage requires oversight, accountability, and a fair and equitable procurement process. The SPO recommends that the department procure the services of the master contractor in accordance with HRS chapter 103D or 103F, as applicable, and have oversight or manage the funds expended by the master contractor. The SPO also recommends that a fair and equitable procurement process be the deciding authority over selection of the provider agencies, and the master contractor be accountable for funds expended.

Thank you.



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
TWENTY-NINTH LEGISLATURE, 2017**

ON THE FOLLOWING MEASURE:

H.B. 1240, RELATING TO APPROPRIATIONS TO ADDRESS HOMELESSNESS.

BEFORE THE:

HOUSE COMMITTEES ON HOUSING AND ON HUMAN SERVICES

DATE: Thursday, February 16, 2017 **TIME:** 9:50 a.m.

LOCATION: State Capitol, Room 423

TESTIFIER(S): Douglas S. Chin, Attorney General, or
Melissa L. Lewis, Deputy Attorney General

Chairs Brower and Morikawa and Members of the Committees:

The Department of the Attorney General provides the following comments on this measure.

The purpose of this bill is to appropriate \$3,500,000 for fiscal year 2017-2018 and \$3,500,000 for fiscal year 2018-2019 to continue and improve the coordinated statewide homeless initiative to prevent homelessness and re-house homeless people in the State. The measure would accomplish this by authorizing a master contractor to: (1) unilaterally modify "the scope of services"; (2) select agency providers; (3) retain administrative fees of fifteen per cent; (4) manage the funding, which is to be paid at the start of the program; and (5) perform other program duties. In addition, the bill exempts contracts entered into and authorized by the measure from chapters 42F, 103D, and 103F, Hawaii Revised Statutes, (HRS). The bill may be interpreted to apply to an existing master contract; however, it does not identify one.

This bill gives broad and unclear authority to a master contractor and contains provisions that may impede implementation and may result in legal challenges. Our concerns include the following.

On page 2, lines 4-10, the bill provides: "(1) The master contractor shall:
(A) Be provided the independent permit to modify the scope of services, eligibility criteria, and program operations; to be informed by the data collected for purposes of continuous program response and adaptation to client needs and service

environment; " It is not clear who the master contractor is, nor how that entity is to be selected. It is also not clear to what the phrase "independent permit" refers; and the provision could be interpreted to allow the master contractor to modify unilaterally the scope of services with its own contract with the State.

On page 3, lines 4-5, the measure says that "(2) Administrative fees of fifteen per cent shall be taken in total *from the state grant*," [Emphasis added.] However, it also says on page 3, lines 9-12, that "any contracts executed and using the appropriations authorized pursuant to this Act shall not be subject to chapters 42F, 103D, and 103F, Hawaii Revised Statutes." A "state grant" would be subject to section 4, article VII, of the Hawaii constitution, which requires that "no grant of public money or property shall be made except pursuant to standards provided by law." Chapter 42F, HRS, provides those standards. With an exemption in this measure, for *all* contracts, from chapter 42F, the nature of this appropriation is not clear and may be subject to challenge as being in violation of section 4 of article VII.

On page 3, lines 6-8, the measure would provide the total amount of funding to the master contractor at the beginning of the program, without performance standards or other fiscal accountability measures.

We recommend that this measure be amended to:

- (1) Define the term "master contractor," on page 2, line 4;
- (2) Describe how the master contractor is to be selected;
- (3) Identify, on page 2, lines 5-10, what contract scope of services will be subject to modification by the master contractor;
- (4) Identify the nature of the appropriation;
- (5) Address fiscal accountability; and
- (6) Clarify the wording on page 2, lines 5-10, to avoid ambiguity.

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



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

February 16, 2017

TO: The Honorable Representative Tom Brower, Chair
House Committee on Housing

The Honorable Representative Dee Morikawa, Chair
House Committee on Human Services

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

SUBJECT: **HB 1240 – RELATING TO APPROPRIATIONS TO ADDRESS HOMELESSNESS**

Hearing: Thursday, February 16, 2017, 9:50 a.m.
Conference Room 423, State Capitol

POSITION: The Governor's Coordinator on Homelessness appreciates the intent of this bill, as it addresses key aspects of the State's work to end homelessness, has concerns, and offers the following comments. The Coordinator is concerned about potential adverse impact on priorities identified in the Executive Budget, and asks for the Legislature's support of the Governor's Executive Budget request. The Executive Budget includes appropriations to the Department of Human Services (DHS) and the Hawaii Public Housing Authority (HPHA) for the Rapid Rehousing and State Rent Supplement programs, which address both homelessness prevention and housing placement. The Coordinator defers to the Department of the Attorney General and the State Procurement Office.

The Coordinator notes that further clarification is needed in regard to the oversight and accountability for the use of public funds appropriated and expended for the Coordinated Statewide Homeless Initiative (CSHI) described in this bill. The bill exempts any contract and appropriation for the CSHI from being subject to chapters 42F, 103D, and 103F, Hawaii Revised Statutes (HRS), and provides the "master contractor" with "independent permit to modify the scope of services, eligibility criteria, and program operations." While the bill requires the

“master contractor” to submit quarterly reports to the House and Senate Committees on Housing and Human Services, it is unclear as to whether there is an oversight mechanism for the State to intervene and retrieve public funds if it is found that funds are not being utilized appropriately.

PURPOSE: The purpose of the bill is to continue the Coordinated Statewide Homeless Initiative (CSHI), subject to a number of conditions that include providing “independent permit” and the total sum of funding for the program upfront to the “master contractor.” The bill appropriates \$3.5 million in general funds to DHS to implement this program, and enables administrative fees of up to 15%.

DHS currently administers a contract with Aloha United Way (AUW) for the operation of a CSHI program. DHS executed the AUW contract during Governor Ige’s emergency proclamation to address homelessness, and the contract is set to end in August 2017. While the AUW contract enabled resources to be disbursed quickly during a time of crisis, the Coordinator notes it is now time for the State to transition from a crisis response to a longer term strategy and approach to address and end homelessness.

The State has adopted a comprehensive framework to address homelessness, which includes a focus on three primary leverage points – affordable housing, health and human services, and public safety. While all three of these leverage points must be addressed to continue forward momentum in addressing the complex issue of homelessness, the overall strategy emphasizes permanent housing as the solution to homelessness.

In regard to housing placement and homelessness prevention, DHS recently procured new contracts for the Housing Placement Program and State Homeless Emergency Grant program, and recently released a Request for Proposals for a statewide Rapid Rehousing program. The Executive Budget request also includes funding for Rapid Rehousing, as well as an expansion of the State Rent Supplement program for at-risk and homeless households.

The State approach to homelessness includes a focus on oversight and accountability for public funds used for this purpose. This focus not only emphasizes reporting and transparency, but ties payment for homeless services to provider performance. Recently, DHS executed a series of contracts for housing placement, emergency grant, homeless outreach, and shelter

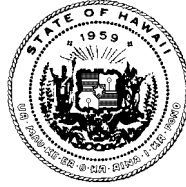
that establish specific performance benchmarks and condition payment in part upon meeting these benchmarks. The State's intent is to apply similar benchmarks and conditions to all new contracts for homeless services.

The Coordinator notes that providing "independent permit" to the master contractor will significantly limit or remove the ability of DHS entirely to align CSHI services with other parts of the overall State strategy to address homelessness. In addition, DHS will be restricted from having input regarding the eligibility criteria for the program, which raises a question of whether CSHI services would be used to address individuals at-risk of or experiencing homelessness.

The Coordinator further notes that, as currently drafted, the bill requires "the total sum of funding" to be provided to the master contractor at the start of the contract. If the master contractor does not use public funds for the intended purpose, it will be difficult for DHS to retrieve these funds and ensure they are properly used. Further, there is a risk of public funds being lost if the master contractor were to close business or declare bankruptcy. The Coordinator notes that the State has limited financial resources to address homelessness, and must provide proper oversight to ensure efficient and effective use of the resources available.

Finally, the Coordinator defers to the Department of the Attorney General in regard to current or more appropriate statutory processes and constitutional issues, the Department of Accounting and General Services, State Procurement Office, and to DHS with regard to contracting and implementation of homeless services. While the Coordinator establishes and coordinates State policy to address homelessness, other Executive Branch agencies are responsible for the direct administration and implementation of homeless and housing programs.

Thank you for the opportunity to testify on this bill.



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

P. O. Box 339
Honolulu, Hawaii 96809-0339

February 16, 2017

TO: The Honorable Representative Tom Brower, Chair
House Committee on Housing

The Honorable Representative Dee Morikawa, Chair
House Committee on Human Services

FROM: Pankaj Bhanot, Director

SUBJECT: **HB1240 – RELATING TO APPROPRIATIONS TO ADDRESS HOMELESSNESS**

Hearing: February 16, 2017, 9:50 a.m.
Conference Room 423, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this bill to provide funding to address the State's homeless crisis. DHS has concerns and offers comments. DHS is concerned that the measure may adversely affect the Governor's Executive Budget requests for homeless services, is unclear on some parts, and does not provide adequate financial oversight. DHS defers to the opinions of the Department of the Attorney General and the State Procurement Office.

PURPOSE: The purpose of the bill is to appropriate \$3.5 million to continue the coordinated statewide homeless initiative (CSHI) implemented under the Governor's emergency proclamation related to homelessness.

CSHI was intended to be a short term temporary response. Clarification is needed to determine whether CSHI can continue in the manner described in the bill. DHS executed the current CSHI contract while the Governor's emergency proclamations were in effect; the contract was not subject to certain procurement rules. Without an emergency proclamation in place,

contracts of this size and scope should be properly procured per the State Procurement Code, or awarded by the Legislature to an applying organization through the Grant In Aid process.

DHS also has concerns that the bill gives up oversight over CSHI. The bill allows the CSHI master contractor to independently determine without the State's consent, the scope, eligibility, and operations. DHS also has concerns over who will be served with the master contractor having sole control over eligibility. While it is hoped that the target population would line up with the framework established by the Governor's team, the measure does not provide adequate contingencies. The bill requires a quarterly report to the House and Senate, however, it is unclear how the House and Senate would respond as a body when not in session, and what mechanism either house could employ to alter a contract.

DHS requires clarification as to what the Legislature intends by "master contractor." Should the master contractor be a non-governmental entity or a State agency? More likely, from the text of the bill, it appears that it is the intent of the Legislature to continue the emergency proclamation CSHI contract of Aloha United Way (AUW).

DHS has a major concern with the way the funding provision requiring payment in full "up front." A provision such as this one would make it extremely difficult if the State had any issues with the master contractor and would need to recover any monies already distributed to the master contractor.

DHS also has concerns over the 15% administrative fee. This would result in a fee of over \$500,000 a year for the master contractor. The money appropriated for this measure could be used more effectively by the State in adding to its various programs such as Housing First, Outreach, Rapid Re-housing, and shelters.

DHS asks that the Legislature continue to support the Governor's Executive Budget to address homelessness and the framework plan established to address homelessness in Hawaii. DHS defers to the opinions of the Department of the Attorney General and the State Procurement Office.

Thank you for the opportunity to testify on this bill.

DAVID W.H. CHEE

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ASB Tower, Suite 2755
Honolulu, Hawaii 96813

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Facsimile: 808-208-8689

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February 14, 2017

Tom Brower
House District 22
Hawaii State Capitol, Room 315

Nadine K. Nakamura
House District 14
Hawaii State Capitol, Room 314

Dee Morikawa
House District 16
Hawaii State Capitol, Room 442

Chris Todd
House District 2
Hawaii State Capitol, Room 305

Dear Representatives:

I am writing to support HB1240.

I am an attorney and practice landlord/tenant law. Generally, I represent landlords and file eviction matters for them. I have been doing this for over twenty years. Typically I file approximately 250 residential evictions per year. About 90% of the evictions involve late rent.

I have referred many tenants to charities, such as Helping Hands and Catholic Charities and other relief agencies, to assist them when rent is owed. Unfortunately, until the CSHI program started, charities have generally not been able to provide help to tenants quickly enough to prevent the tenants from being actually removed from their homes.

The CSHI program is the first program that I have seen in 20 years that has stopped a significant number of evictions and kept working people in their homes.

While HB1240 is not perfect, I urge the Legislature to find a way to continue funding the CSHI program. One of the largest groups of persons who are at risk of eviction is working people. Ordinary working people who have a seemingly small financial setback make up a significant proportion of the people I evict.

People who live paycheck to paycheck and who miss a week or more of work often do not have the resources necessary to meet their rent obligations. Such a setback causes tenants to be late on their rent.

Landlords depend on the rent coming in so that they can meet their own obligations, so tenant debts cannot be ignored. Landlords still need to make timely payment of their mortgages and other expenses even if their tenant does not pay the rent. When tenants carry a balance from one month to the next landlords will generally file an eviction lawsuit.

Eviction lawsuits in Hawaii move quickly. It can take as little as two weeks from the time a tenant is late on the rent to the time that a landlord has court order evicting the tenant.

Charitable aid programs have always attempted to provide financial aid to those in need, but almost always move too slowly to stop an eviction. Charitable programs often take a month to decide whether to aid an applicant. Some of them will only cut checks once per month.

Landlords usually cannot wait that long. By the time typical aid programs are ready to help a family the eviction has already occurred. In the past ten years I can recall charitable assistance preventing evictions only a handful of times.

The CSHI program has really changed the dynamics. Since the start of the CSHI program, eviction lawsuits are being prevented and stopped with regularity.

What makes the CSHI program different from other charity aid programs is the speed with which the program works. Commitments of funds from the CSHI program may be available in less than two weeks, which is fast enough to stop an eviction. That means that the costs and disruption that results from an eviction can be avoided. Tenants don't need to move. Families can stay together. Employees can go to work and become self-sustaining again. Students can go to school. Landlords get paid and can pay their own bills. Life for everyone can go back to normal.

I have no doubt that the CSHI program has done more to help Hawaii's working people than any other recent housing initiative.

As the State of Hawaii moves away from emergency funding and towards more permanent programs I urge the State to use the CSHI program as a starting point and not abandon the program. It is apparent to me that the managers have learned a lot and have developed and improved the program. **The State should find a way to integrate what has been learned so that the experience and knowledge that has been accumulated is not lost.**

I urge the legislature to continue to fund the CSHI program.

Very truly yours,



David W.H. Chee, Esq.

Aloha United Way

200 N. Vineyard Blvd., Suite 700
Honolulu, Hawaii 96817-3938
Telephone (808) 536-1951
Fax (808) 543-2222
Website: www.auw.org



Cover Sheet

Testifying Agency: Aloha United Way
Norm Baker, Chief Operating Officer

House Committee on Housing
Representative Tom Brower, Chair

House Committee on Human Services
Representative Dee Morikawa, Chair

Thursday, February 16, 2017

Conference Room 423 at 9:50 a.m.

HB 1240: Relating to Appropriations to Address Homelessness: Testimony in Support



Aloha United Way

200 N. Vineyard Blvd., Suite 700
Honolulu, Hawaii 96817-3938
Telephone (808) 543-2202
Fax (808) 543-2222
www.auw.org

February 14, 2017

To: Representative Tom Brower, Chair, Committee on Housing
Representative Dee Morikawa, Chair, Committee on Human Services

Re: HB 1240 Relating to Appropriations to Address Homelessness – **SUPPORT**
Hearing: Thursday, February 16, 2017; Conference Room 423

Honorable Chairs & Committee Members:

Aloha United Way strongly supports HB 1240 which appropriates funding to continue the Coordinated Statewide Homeless Initiative, a program originally funded under the State's Homeless Emergency proclamation. In ten months of operation CSHI has assisted over 1,400 households with a total of over 4,400 individuals retain housing or be placed in housing.

42% of households in Hawaii are renters (fourth highest rate in the country) and 54% of these households pay 50% or more of their monthly income for housing (the second highest rate in the country). Finally, 63% of households lack emergency savings to deal with an unexpected \$500 expense. These statistics highlight the need for a program that can help a family with a short term financial crisis weather the setback without winding up homeless. CSHI has done that effectively and efficiently.

A key learning from the CSHI operation is that for every one homeless person served, there were three individuals in the eviction process. As a direct result of CSHI, total evictions dropped by 25% on Oahu. We believe this effective prevention program must be one component of a comprehensive plan to address our homeless issue.

Thank you for the opportunity to submit testimony. We urge your favorable consideration of HB 1240.

Sincerely,

Norm Baker
Chief Operating Officer

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 14, 2017 10:01 AM
To: HSGtestimony
Cc: dabitbol@chowproject.org
Subject: *Submitted testimony for HB1240 on Feb 16, 2017 09:50AM*

HB1240

Submitted on: 2/14/2017

Testimony for HSG/HUS on Feb 16, 2017 09:50AM in Conference Room 423

Submitted By	Organization	Testifier Position	Present at Hearing
Heather Lusk	CHOW Project	Support	No

Comments:

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HAWAII YOUTH SERVICES NETWORK

677 Ala Moana Boulevard, Suite 904 Honolulu, Hawaii 96813

Phone: (808) 489-9549

Web site: <http://www.hysn.org> E-mail: info@hysn.org

Rick Collins, President

Judith F. Clark, Executive
Director

Bay Clinic

Big Brothers Big Sisters of
Hawaii

Bobby Benson Center

Central Oahu Youth Services
Association

Child and Family Service

Coalition for a Drug Free Hawaii

Domestic Violence Action Center

EPIC, Inc.

Family Programs Hawaii

Family Support Hawaii

Hale Kipa, Inc.

Hale 'Opio Kauai, Inc.

Hawaii Student Television

Ho`o

Hui Malama Learning Center

Kokua Kalihi Valley

Life Foundation

Marimed Foundation

Maui Youth and Family Services

P.A.R.E.N.T.S., Inc.

Parents and Children Together
(PACT)

Planned Parenthood of the
Great Northwest and
Hawaiian Islands

Salvation Army Family

Intervention Services

Sex Abuse Treatment Center

Susannah Wesley Community
Center

The Catalyst Group

Uhane Pohaku Na Moku

O Hawai'i

Waikiki Health

February 14, 2017

Representative Tom Brower, Chair
And members of the Committee on Housing

Representative Dee Morikawa, Chair
And members of the Committee on Human Services

Testimony in Support of HB 1240 Relating to Appropriations to Address Homelessness

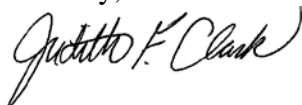
Hawaii Youth Services Network, a statewide coalition of youth-serving organizations, supports HB 1240 Relating to Appropriations to Address Homelessness.

Hawaii's homeless population includes runaway and homeless youth and young adults who are living on the streets without support or guidance from their families. They are the most vulnerable segment of our homeless population because they have not completed their education, lack employment experience, and their brain development is not yet complete.

Young adults, ages 18 - 24, face many housing challenges and could benefit from rapid re-housing and rent supplement programs that can be provided through this appropriation. Typically, they work at low-wage jobs while trying to complete a GED, attend college, or participate in a vocational training program. This includes young adults who have emancipated from foster care or are participating in the Imua Kakou Program (voluntary care to age 21). Ensuring that these young adults have stable, safe housing during this critical period can provide the foundation that will enable them to be self-supporting for a lifetime.

Thank you for this opportunity to testify.

Sincerely,



Judith F. Clark, MPH
Executive Director



200 North Vineyard Boulevard, A300
Honolulu, HI 96817
Ph: 808-587-7886
Toll Free: 1-866-400-1116
www.hawaiiancommunity.net

February 15, 2017

HB1240 Relating to Appropriations to Address Homelessness
Committees on Housing and Human Services
Room 423, State Capitol

RE: SUPPORT – HB1240

Aloha e Chairs and Committee Members,

I am writing on behalf of Hawaiian Community Assets, the State of Hawaii's largest nonprofit 501c3 HUD-certified housing counseling agency, to testify in **support** of House Bill 1240 which would extend the successful Coordinated Statewide Homeless Initiative (CSHI).

In August 2016, Hawaiian Community Assets was contracted by Aloha United Way, with non-State funds, to provide training and technical assistance to the 16 homeless service providers under the Initiative with the goal of building their staff's capacity to deliver financial education to CSHI recipients. In total, our organization trained 32 individuals over the last 10 months who are actively engaging CSHI recipients in group financial education workshops and one-on-one budget counseling. As the state's only HUD-certified housing counseling agency that offers renter education and counseling, our organization is seeing a significant number of referrals for our services so we can review credit reports with the CSHI recipients, create action plans to secure or sustain rental housing, and access additional financial assistance through match savings accounts and micro-loans. It is from our perspective as a contractor under the Initiative that we see this approach, where financial education is combined with access to capital, will ensure the long-term housing stability of families and individuals experiencing or at-risk of homelessness.

Mahalo for the opportunity to provide my testimony in support of HB 1240 and encourage you to take action to extend the successful Coordinated Statewide Homeless Initiative.

Sincerely

A handwritten signature in black ink that reads "Jeff Gilbreath".

Jeff Gilbreath
Executive Director



PARTNERS IN CARE
Oahu's Coalition of Homeless Providers

TESTIMONY IN SUPPORT OF HB 1240: RELATING TO APPROPRIATIONS TO ADDRESS HOMELESSNESS

TO: Rep. Tom Brower, Chair, Housing; Rep. Dee Morikawa, Chair, Human Services; and Members, Committees on Housing and Human Services

FROM: Greg Payton, Partners In Care, Chair of Advocacy Committee

Hearing: **Thursday, 2/16/17; 9:50 am; CR 423**

Chair Brower, Chair Morikawa and Members, Committees on Housing and Human Services:

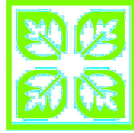
Thank you for the opportunity to provide testimony **in support** of HB 1240, which appropriates funds to DHS for the Coordinated Statewide Homeless Initiative to rapidly prevent or end homelessness. Partners In Care (PIC) is Oahu's continuum of care as defined by HUD, and PIC represents a coalition of more than 35 non-profit, homeless providers.

Partners In Care participates in the Coordinated Statewide Homeless Initiative (CSHI) which has helped over 1,400 households out of homelessness. Rental subsidies have been successful to move homeless households into permanent housing as well as to stop the flow of families into homelessness.

Aloha United Way (AUW) is the master contractor that partners with 20 provider organization statewide, to offer rent, security deposits or utility payments. Since April 2017, CSHI has helped more than 4,300 individuals, 73% of whom were at-risk and 27% were homeless. This has resulted in a 25% drop in court eviction cases on Oahu.

Hawaii's homeless situation has ranked #1 rate per capita in the nation, partly due to having housing costs that are twice the national average with the cost of living in Hawaii is 60% higher than the national average. 54% of all renter households are paying more than 30% of income on rent, the second highest in the US. Rapid Rehousing funding is vital to stop people falling into homelessness and helping homeless move into permanent housing.

Partners In Care strongly supports this bill to work towards our goal of ending homelessness in Hawaii. Please contact Greg Payton, PIC Chair of Advocacy Committee, gpayton@mhkhawaii.org or at 808-529-4554, if you have any questions.



TESTIMONY IN SUPPORT OF HB 1240: RELATING TO APPROPRIATIONS TO ADDRESS HOMELESSNESS

TO: Rep. Tom Brower, Chair, Housing; Rep. Dee Morikawa, Chair, Human Services; and Members, Committees on Housing and Human Services

FROM: Terrence L. Walsh, Jr., President and Chief Executive Officer

Hearing: Thursday, 2/16/17; 9:50 am; CR 423

Chair Brower, Chair Morikawa and Members, Committees on Housing and Human Services:

Thank you for the opportunity to provide testimony **in support** of HB 1240, which appropriates fund to DHS for the Coordinated Statewide Homeless Initiative to rapidly prevent or end homelessness. I am Terry Walsh, with Catholic Charities Hawai'i. We are also a member of Partners in Care.

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for over 60 years. CCH has programs serving elders, children, developmentally disabled, homeless and immigrants. Our mission is to provide services and advocacy for the most vulnerable in Hawai'i. Ending homelessness is a top priority for 2017.

Catholic Charities Hawai'i participates in the Coordinated Statewide Homeless Initiative (CSHI) which has helped over 1,400 households out of homelessness. There is a huge need for short term rental subsidies to stop the flow of families into homelessness. Rental subsidies work! They rapidly move homeless into permanent housing, as well as preventing new families and individuals from falling into homelessness. The Aloha United Way is the master contractor that partners with 20 provider agencies statewide, to provide rent, security deposits or utility payments. Since its inception in April 2017, CSHI has helped over 4,300 individuals, 73% of whom were at-risk and 27% were homeless. This has resulted in a 25% drop in court eviction cases on Oahu.

Hawaii's homeless situation has reached crisis proportions. We are currently ranked as having the #1 rate of homelessness per capita in the nation. Besides having the highest housing costs in the nation (twice the national average), the cost of living in Hawaii is 60% higher than the national average. 54% of all renter households are cost burdened (paying more than 30% of income on rent), the second highest in the US. These renters may fall into homelessness with any unexpected expenses or loss of a job. Rapid Rehousing funding is critical to stop the flow into homelessness as well as help move those already homeless into permanent housing.

We urge you to support this bill to work towards our goal of ending homelessness in Hawaii. Please contact our Legislative Liaison, Betty Lou Larson, at 373-0356, or at bettylou.larson@catholiccharitieshawaii.org, if you have any questions.



CLARENCE T. C. CHING CAMPUS • 1822 Ke'eaumoku Street, Honolulu, HI 96822
HopeLine: (808) 524-4673 • www.CatholicCharitiesHawaii.org



From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 14, 2017 9:19 AM
To: HSGtestimony
Cc: monique.weisman@gmail.com
Subject: Submitted testimony for HB1240 on Feb 16, 2017 09:50AM

Follow Up Flag: Follow up
Flag Status: Completed

HB1240

Submitted on: 2/14/2017

Testimony for HSG/HUS on Feb 16, 2017 09:50AM in Conference Room 423

Submitted By	Organization	Testifier Position	Present at Hearing
Monique Weisman	Individual	Support	No

Comments: Please pass HB1240 to fund the Coordinated Statewide Homeless Initiative As manager of the Aloha United Way 211 call center that offers statewide information and referral, I am aware of how great the need is for rent payment assistance in our state. For 10 years and counting, rental assistance consistently tops the list of requests by callers to our center. This month we handled over 280 requests for rental assistance, the highest need in a single month in the past five years. The Coordinated Statewide Homeless Initiative has been a great resource to share with the hundreds of people who have called in distress since the program's inception last spring. It assists the homeless in getting rehoused and prevents those threatened with homelessness to remain housed. For example, we received a call from a woman who was distraught because her family was days away from eviction. Both she and her husband are disabled and they have a school-age child. She was resourceful and had called every agency she could think of but had been unable to secure assistance. We referred her to one of the 20 providers distributing Coordinated Statewide Homeless Initiative (CSHI) funds, and she and her family were able to secure the funding needed to avoid being evicted. This is but one example of how this program helped in multiple ways. Had the family been put out on the street, their lives would have turned upside down. It would have resulted in much greater cost and effort to rehouse them between requiring the services of a case worker to locate an available unit for the family, help secure a deposit, and possibly assist with a change of schools for the child. Medical or mental health costs might also have been incurred as a result of the upheaval. Having CSHI to turn to has been a relief not only to families and individuals needing the assistance but to landlords as well. The program gets rent money into the hands of landlords quickly and efficiently. As a result, we've had landlords refer their tenants to 211 specifically for CSHI referrals. Finally, the 211 information and referral specialists also reap the benefits of the CSHI program. When over 14% of the calls we receive represent a need for rental assistance, it can wear thin if there are few resources to give callers. The CSHI program has been a

ray of sunshine for all involved. It's clear that preventing evictions, and thereby subsequent homelessness, is a preferred and cost-effective method to addressing the homeless crisis we currently face in Hawaii. Thank you for taking time to review HB1240. To continue the progress we've made in preventing more individuals and families from becoming unsheltered, please pass the bill to fund the Coordinated Statewide Homeless Initiative.

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From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 14, 2017 7:06 AM
To: HSGtestimony
Cc: caseyspoor@gmail.com
Subject: Submitted testimony for HB1240 on Feb 16, 2017 09:50AM

HB1240

Submitted on: 2/14/2017

Testimony for HSG/HUS on Feb 16, 2017 09:50AM in Conference Room 423

Submitted By	Organization	Testifier Position	Present at Hearing
Casey Spoor	Individual	Comments Only	No

Comments: Aloha and Mahalo for allowing me testify. I am one out of a team of 4 Information and Referral Specialist, we answer 2-1-1 calls from our community. Our community is in dire need of rental and housing assistance. In the first 90 minutes of my day, I receive 2 calls from humans in crisis. I work 40 hours a week, the calls add up. Day in and Day out 2-1-1 takes calls, callers and crying and are feeling hopeless. As a community we should assist those in need. The CSHI rental assistance program allows us as a community to treat those in need with compassion and provide them with the basic human needs. This job is very rewarding, when I know that we have programs in place to assist the callers. With no funding, no programs, we have no hope to impart to the community. Rental assistance is crucial to helping prevent and keep humans, just like you and myself, off the streets. Please, don't make me tell the callers with 4 kids who has been living in her car for 2 months that there is no hope for her and her family. We are all just one emergency away from finding ourselves in a similar position. There is something different about a human being and being human. Please, renew the CSHI funding. If our community is broken and hopeless, we are all hopeless. We are one. Much thanks, Casey Spoor

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Sent: Monday, February 13, 2017 7:04 PM
To: HSGtestimony
Cc: mamaupin@hotmail.com
Subject: *Submitted testimony for HB1240 on Feb 16, 2017 09:50AM*

HB1240

Submitted on: 2/13/2017

Testimony for HSG/HUS on Feb 16, 2017 09:50AM in Conference Room 423

Submitted By	Organization	Testifier Position	Present at Hearing
Margaret Maupin	Individual	Support	No

Comments:

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Sent: Wednesday, February 15, 2017 9:23 AM
To: HSGtestimony
Cc: scornell@dcheelaw.com
Subject: Submitted testimony for HB1240 on Feb 16, 2017 09:50AM

HB1240

Submitted on: 2/15/2017

Testimony for HSG/HUS on Feb 16, 2017 09:50AM in Conference Room 423

Submitted By	Organization	Testifier Position	Present at Hearing
Sarah Cornell	Individual	Support	No

Comments: The speed and efficiency in which CSHI has been able to assist families in need is unprecedented and certainly like no other charitable program that has come before it. It would do a great disservice to the community the program serves to discontinue its efforts.

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Hawaii Disability Legal Services, LLC

1188 Bishop Street, Ste 1402 ♦ Honolulu, Hawaii, 96813



75-5737 Kuakini Hwy, Ste 104 ♦ Kailua-Kona, HI, 96740

February 15, 2017

Committee on Human Services
Committee on Housing
Testimony on H.B. 1240
Relating to Appropriations to Address Homelessness

LATE

February 16, 2017, 9:50 p.m.
Conference Room 423

STRONG SUPPORT

Dear Chair Morikawa, Chair Brower, and Members of the Committees:

My name is Diane C. Haar. I am a licensed attorney practicing in the State of Hawai'i. My practice is devoted to representing individuals with disabilities and their interests throughout the state. Most of my clients are homeless or near homeless.

I am strongly in favor of H.B. 1240 and its companion S.B. 1107. A significant portion of my practice is devoted to obtaining federal benefits for individuals who are disabled by mental and/or physical illnesses. Many of these individuals are homeless or near homeless, because their disability has rendered them unable to work. While this will likely be rectified once they start receiving federal benefits, this does not happen immediately.

The Aloha United Way program has been a lifeline like no other to people like my clients in keeping them in their homes during a crisis. At a press conference held at the Hawaii State Legislature on February 2, 2017, Norm Baker who oversees this project for Aloha United Way explained it costs much less to keep someone housed, including in healthcare costs, which go up substantially for those who are unsheltered. This program assists individuals like my clients for one, two, or three months, until their federal benefits are in place, and they can resume their own payments in full without Hawaii tax dollars. It also helps rehouse those who do end up homeless.

There has been significant press that this program works. Governor Ige said this in his State of the State, acknowledging this program exceeded the goals set for it last year. Since April 2016, this program helped 577 adults and 383 children acquire housing, but also helped 987 households of 1,681 adults and 1,597 children sustain their housing. For this second group, the assistance averaged \$2,200 per household to avert homelessness.

As Mr. Baker also said at the February 2, 2017 press conference, if the program is not funded, the numbers of homeless will go up. From what I see in my practice and the populations I work with, he is absolutely correct. I cannot understand why our state would eliminate a program with proven results when there are still such significant numbers of our population who need this help.

Your consideration of H.B. 1240 is greatly appreciated. Thank you for the opportunity to testify on this important matter.

LATE

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 15, 2017 1:42 PM
To: HSGtestimony
Cc: dabitbol@chowproject.org
Subject: Submitted testimony for HB1240 on Feb 16, 2017 09:50AM

HB1240

Submitted on: 2/15/2017
Testimony for HSG/HUS on Feb 16, 2017 09:50AM in Conference Room 423

Submitted By	Organization	Testifier Position	Present at Hearing
Heather Lusk	CHOW Project	Support	No

Comments: The CHOW Project believes that the coordinated statewide homeless initiative is critical to success in Hawaii's homeless efforts. The system used to deliver the funding is efficient and timely. The data gathering system reduces workload and delivers real-time information upon which to make decisions. The network that has evolved around our Homeless Coordination center includes landlords, property managers, eviction lawyers and the eviction courts. The program works and we feel it should be a part of our homeless programming going forward. Finally, our key learning that there are three households in the eviction pipeline for every homeless person we served argues strongly for a program that focuses on eviction prevention. The CHOW Project strongly supports HB 1240.

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Na Kahua Hale O Ulu Wini
Hawaii Affordable Properties
74-3180 Ulu Wini Pl.
Kailua Kona, HI 96740

LATE

February 15, 2017

To: The Honorable Representative Tom Brower
Chair, Committee on Housing

The Honorable Representative Dee Morikawa
Chair, Committee on Human Services

From: Toni Symons – Program Director
Na Kahua Hale O Ulu Wini
Hawaii Affordable Properties
(808) 319-2367

RE: HB 1240 – RELATING TO APPROPRIATIONS TO ADDRESS HOMELESSNESS

Hearing – Thursday, February 16, 2017, 9:50am
Conference Room 423, State Capitol

Hawaii Affordable Properties is in strong support of HB 1240. Na Kahua Hale O Ulu Wini was built in 2011 to provide Transitional Housing for Homeless families in West Hawaii. Additionally, 73 units were built to provide affordable housing for low-income families. This project is the only one specifically designated for families. As families come into Ulu Wini they are able to take advantage of the many programs offered to help build capacity for future success. These may include financial workshops, parenting classes, after-school enrichment programs, job training and more.

Through our on-site Ohana Center we see families who are struggling to get on their feet and many are working hard to come out of whatever hardship created challenges for them financially. We have over 200 children on our property and family stability is a major priority for our staff.

Fortunately, rents are adjusted based on household income so if a resident loses their job or some other financial crisis occurs, the Office of Housing and Community Development can adjust their rent payments. We do have situations though where, for many reasons, families fall behind and rents don't get paid. Staff spends time showing our residents how to budget and plan and make the roof over their heads a priority.

When we took over this property many of our residents were having trouble paying their rents and were close to eviction, which is a last resort. **With the help of the CSHI – Coordinated Statewide Homeless Initiative** funding, those families were helped with past due rent and were able to catch-up and prevent homelessness. CSHI provided well-over \$10,000 in rent payments, deposits and more to current families residing at Ulu Wini and for new tenants coming into Ulu Wini. They were able to stabilize, get back on their feet and move forward. Families coming into Ulu Wini had help with utility deposits and rent

deposits so they could move-in and come out of whatever situation they were in. These families are very grateful for the assistance of the **CSHI** and so is the staff. The system is easy to understand for our clients and those involved are very helpful.

We ask that you please continue to fund this safety-net for families in Hawaii so no child ever has to be homeless again.

Thank you for this opportunity to testify in support of HB1240.

Toni Symons
Program Director
Na Kahua Hale O Ulu Wini

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 15, 2017 5:00 PM
To: HSGtestimony
Cc: ashley.kaono@gmail.com
Subject: *Submitted testimony for HB1240 on Feb 16, 2017 09:50AM*



HB1240

Submitted on: 2/15/2017

Testimony for HSG/HUS on Feb 16, 2017 09:50AM in Conference Room 423

Submitted By	Organization	Testifier Position	Present at Hearing
Ashley Kaono	Hawaii Disability Legal Services, LLLC	Support	No

Comments:

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HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

LATE

Testimony of Hawai'i Appleseed Center for Law and Economic Justice
Supporting HB 1240 Relating to Appropriations to Address Homelessness
House Committees on Housing and Human Services
Scheduled for Hearing Thursday, February 16, 2017, 9:50 AM, Conference Room 423

Hawai'i Appleseed Center for Law and Economic Justice Hawai'i Appleseed is committed to a more socially just Hawai'i, where everyone has genuine opportunities to achieve economic security and fulfill their potential. We change systems that perpetuate inequality and injustice through policy development, advocacy, and coalition building.

Dear Chair Brower, Chair Morikawa, and Members of the Committees on Housing and Human Services:

Thank you for the opportunity to testify in **strong support** of HB 1240, which appropriates funds to DHS for the Coordinated Statewide Homeless Initiative (CSHI) to rapidly prevent or end homelessness.

Homelessness is one of the biggest problems facing Hawai'i. Our state has the highest housing costs in the nation and the lowest wages when adjusted for cost of living. Not surprisingly, we also have the highest homelessness rate in the nation, with 7,921 unsheltered homeless at last count. As increases in housing costs have outpaced increases in wages, the problem has gotten worse. Despite a growing focus on homelessness in recent years, the best we have been able to do is slow the rate at which homelessness increasing. We need programs that work, and CSHI has proved itself to be tremendously effective in preventing homelessness.

In just ten months of operation, CSHI helped 4,300 individuals retain housing or obtain a housing placement. The program is credited as playing a significant role in a 25% reduction in evictions on Oahu. According to judges, property managers, and eviction attorneys, the program had a dramatic and immediate effect on the prevention of evictions (see <http://www.staradvertiser.com/2016/12/22/hawaii-news/rent-funding-through-auw-makes-a-dent-in-evictions/>).

Not only has CSHI prevented homelessness for thousands of individuals, but it has done so in a cost-effective way. Forty-eight percent of Hawai'i's households are living paycheck to paycheck. Many families are just a paycheck or illness away from homelessness. CSHI helps the families who are teetering on the brink, providing them with a small, but tremendously effective subsidy to help at a critical point in their lives. Cessation or underfunding of the CSHI program will undoubtedly result in families becoming homeless when a relatively small assistance payment could have prevented it. Once a family becomes homeless, not only does it carry significant and potentially life-long consequences for the family, but also the societal costs and burden on our public resources increase dramatically.

CSHI has proven itself to be one of the most effective tools that has been developed in the fight against homelessness, and yet without passage of HB 1240, it may be discontinued. None of the testimony

submitted by offices or departments of the State for the Senate companion bill to HB 1240 states that the program will be funded through the Governor's proposed budget. Testimony from the Department of Human Services that "CSHI was intended to be a short term temporary response" suggests that it will not receive future funding. While there may be valid issues of oversight that need to be addressed in the bill, it is critically important that the program continue.

For these reasons, Hawai'i Appleseed strongly supports HB 1240 and respectfully requests its passage by the Housing and Human Services Committees so that the continued existence of CSHI can be assured, while still retaining the ability to address any issues with the bill regarding funding oversight. Thank you for your consideration of this very important bill.



February 16, 2017 at 9:50a.m.
Conference Room 423

House Committee on Housing
House Committee on Human Services

To: Rep. Tom Brower, Chair (HSG)
Rep. Nadine K. Nakamura, Vice Chair (HSG)
Rep. Dee Morikawa, Chair (HUS)
Rep. Chris Todd, Vice Chair (HUS)

From: Michael Robinson
Vice President – Government Relations & Community Affairs

Re: Testimony in Support – HB 1240

My name is Michael Robinson, Vice President, Government Relations and Community Affairs at Hawai'i Pacific Health (HPH). Hawai'i Pacific Health is a not-for-profit health care system, and the state's largest health care provider and non-governmental employer. Hawai'i Pacific Health is committed to providing the highest quality medical care and service to the people of Hawai'i and the Pacific Region through its four hospitals, more than 50 outpatient clinics and service sites, and over 1,600 affiliated physicians. Hawai'i Pacific Health's hospitals are Kapi'olani Medical Center for Women & Children, Pali Momi Medical Center, Straub Clinic & Hospital and Wilcox Memorial Hospital.

I write in support of HB 1240 which appropriates funds to the Department of Human Services for the Coordinated Statewide Homeless Initiative (CSHI).

The CSHI program provides rapid re-housing and homeless prevention assistance to our most vulnerable community members. Its data gathering system reduces workload and delivers real-time information that supports organizations in making informed decisions. The network that has evolved around the Homeless Coordination center includes landlords, property managers, eviction lawyers and the eviction courts. Since its inception in April 2016, the CSHI program has helped over 1,400 households comprised of over 4,300 individuals.

Housing instability proves to be a significant barrier to regular health care access and results in excessive use of expensive emergency department, crisis services, and inpatient treatment. The State could minimize the health care associated costs that homeless individuals incur over their lifetime by funding programs which enhance housing stability. We at Hawai'i Pacific Health request that the committees enable the continuation of the CSHI program. It has proven effective in creating solutions for homelessness.

Hawai'i Pacific Health supports HB 1240 as it is aligned with our mission of creating a healthier Hawai'i.

Thank you for the opportunity to testify.