

EXECUTIVE CHAMBERS HONOLULU

February 11, 2022

TO: The Honorable Representative Aaron Ling Johanson, Chair

House Committee on Consumer Protection and Commerce

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

SUBJECT: HB 1752 HD1 – RELATING TO HOUSING.

Hearing: Friday, February 11, 2022, 2:00 p.m.

VIA VIDEO CONFERENCE

<u>**POSITION**</u>: 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.

The Coordinator appreciates the amendments made by the House Committee on Housing to delete provisions that prohibited negative advertising relating to source of income for available rental or lease dwelling units. By addressing only the negative advertising aspect of rental discrimination based on source of income, the prior version of this bill may have had unintended adverse impacts and placed greater hardship on individuals seeking rental housing.

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

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

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

The Coordinator understands reducing upfront housing barriers is just one piece of a more comprehensive effort to address homelessness and housing instability. In addition, the Hawaii Interagency Council on Homelessness (HICH) — a 27-member advisory council chaired by the Coordinator - has prioritized low-income housing development for individuals transitioning out of homelessness, the scaling of shallow rental subsidies, and the expansion of 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, visit https://homelessness.hawaii.gov/advocacy.

Thank you for the opportunity to testify on this bill.

EMPLOYEES' RETIREMENT SYSTEM
HAWAI'I EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAI'I
DEPARTMENT OF BUDGET AND FINANCE

P.O. BOX 150 HONOLULU. HAWAI'I 96810-0150 CRAIG K. HIRAI

GLORIA CHANG DEPUTY DIRECTOR

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 CONSUMER PROTECTION & COMMERCE
ON
HOUSE BILL NO. 1752, H.D. 1

February 11, 2022 2:00 p.m. Room 329 and Videoconference

RELATING TO HOUSING

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

House Bill No. 1752, H.D. 1: 1) amends Chapter 356D, HRS, to require the Hawai'i Public Housing Authority (HPHA) to adopt rules to expand incentives for landlords participating in or initially joining the Section 8 Housing Choice Voucher Program to include reimbursements for eligible unit vacancy periods and signing bonuses and to set requirements for reimbursements for tenant-caused property damage when the repair costs exceed the security deposit as authorized by Act 215, SLH 2019; 2) requires HPHA to adopt rules to establish that a reasonable time within which to inspect a Section 8 landlord's property after receiving a request for inspection will be a maximum of 15 days; 3) appropriates an unspecified amount of general funds for HPHA in FY 23 to provide expanded incentives to Section 8 landlords; and 4) appropriates \$360,500 in general funds for HPHA in FY 23 to hire 2.00 permanent Housing Quality Standards Inspector II positions and 3.00 permanent Public Housing Specialist II positions to support the Section 8 Housing Choice Voucher Program.

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

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

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

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

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

Thank you for your consideration of our comments.





TESTIMONY IN SUPPORT OF HB 1752, HD 1

TO: Chair Johanson, Vice Chair Kitagawa, & Committee Members

FROM: Nikos Leverenz

Grants & Advancement Manager

DATE: February 11, 2022 (2:00 PM)

Hawai'i Health & Harm Reduction Center (HHHRC) <u>supports</u> HB 1752, HD 1, which establishes the housing choice voucher landlord incentive program.

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 HHHRC staff. This program would encourage more properties to extend rental units to those with Section 8 vouchers.

HHHRC Executive Director Heather Lusk currently serves as Board Chair of <u>Partners in Care O'ahu</u>, 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. HHHRC provides homeless outreach and housing placement navigation services in urban Honolulu and the Upper Windward Coast, including North Shore.

HHHRC'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.



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 CONSUMER PROTECTION & COMMERCE

Friday, February 11, 2022 2:00 PM – Via Videoconference – Room 329, Hawaii State Capitol

> In consideration of HB 1752, HD1 RELATING TO HOUSING

Honorable Chair Johanson and Members of the House Committee on Consumer Protection & Commerce, thank you for the opportunity to provide testimony concerning House Bill (HB) 1752, HD1, relating to housing.

The Hawaii Public Housing Authority (HPHA) supports the enactment of HB 1752, HD1. This measure establishes the housing choice voucher landlord incentive program. Requires the Hawaii public housing authority to adopt rules without regard to chapter 91, HRS, to establish specified incentives for landlords who participate in the tenant-based assistance housing choice voucher program under section 8 of the United States Housing Act of 1937. Requires that the Hawaii public housing authority adopt rules to establish a maximum of fifteen days after receipt of an owner's or landlord's inspection request as a reasonable time within which to inspect a dwelling unit for lease under the section 8 housing choice voucher program. Appropriates funds.

One of the programs in which the HPHA assists our low-income families is through the Section 8 Housing Choice Voucher Program, also known as "Section 8 HCV". The Section 8 HCV program is one of the federal government's major programs for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market, including single-family homes, townhouses and apartments. This program currently brings \$44.70 million dollars a year primarily on the island of Oahu, supports over 3,200 families and over 11,200 individuals.

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 incentives program will certainly make a difference in the lives of our most disadvantaged families by assisting them find suitable permanent housing.

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 the proposed landlord incentives 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 creation of these landlord incentives, combined with the needed positions to administer unit inspections within 15 days, 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.

The Section 8 HCV program is an important part of the State's efforts in addressing the affordable housing needs of our low-income families. All families go through a criminal background, sex offender and Homeland Security screenings before being given a voucher to pursue a rental unit, and the HPHA is willing to work and assist all landlords that would like to participate in the program.

We strongly believe that the original measure included language that would address rental discrimination and would complement these proposed landlord incentives. We would hope that the language could be re-inserted going forward.

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



CATHOLIC CHARITIES HAWAI'I

COMMENTS FOR HB 1752 HD1: RELATING TO HOUSING

TO: House Committee on Consumer Protection and Commerce FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawai'i Hearing: Friday, February 11, 2022; 2:00 PM; via videoconference

Chair Johanson, Vice Chair Kitagawa, and Members, Committee on Consumer Protection and Commerce:

Thank you for the opportunity to testify in **Support of HB 1752, HD1,** which would establish the housing choice voucher landlord incentive program, and require the Hawaii Public Housing Authority to adopt rules to establish a maximum period of 15 days for unit inspections for the Section 8 program. I am Rob Van Tassell, with Catholic Charities Hawai'i. We are also a member of Partners In Care (PIC).

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

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

Catholic Charities Hawai`i also suggests that there needs to be a strong prohibition of source of income discrimination to really address the root problem of the lack of rentals available to people who absolutely need some government rental assistance to obtain and become stable in housing. We respectfully urge your Committee to add language to prohibit this discrimination. We suggest that language from HB 981 (2021) be added to this bill. This would create a balance approach to this critical issue.

As long as landlords can legally discriminate against persons with housing subsidies, they often do an automatic screening out. The prohibition of this discrimination gives the opportunity for people with rental subsidies to be considered the same as others in the community. Landlords could continue to evaluate all applicants on their ability to pay rent, credit worthiness, etc. And now they could hear of the benefits of incentives and stable monthly payments. Honolulu is one of the largest metropolitan areas in the US that does not prohibit this practice. With Hawaii's severe housing crunch and high rate of homelessness, it is time to establish a strong prohibition of discrimination only because someone has a subsidy.

Catholic Charities Hawai`i is very concerned about our Kupuna. Our Kupuna have worked long and hard to make Hawai`i the special place it now is. They and the many others faced with







discrimination deserve a chance to be considered just as any other applicant, especially since they can offer stable rent payments to landlords. We are very concerned about housing single parents, especially the many lower income women with children. Source of income discrimination is sometimes a veiled form of sex and family/children discrimination.

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

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

Please contact our Legislative Liaison, Betty Lou Larson at (808) 373-0356 or bettylou.larson@catholiccharitieshawaii.org if you have any questions.









February 11, 2022

The Honorable Aaron Ling Johanson, Chair

House Committee on Consumer Protection and Commerce Via Videoconference

RE: H.B. 1752, HD1, Relating to Housing

HEARING: Friday, February 11, 2022, at 2:00 p.m.

Aloha Chair Johanson, Vice Chair Kitagawa, 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 10,800 members. HAR **supports the intent** of House Bill 1752, HD1, which establishes the housing choice voucher landlord incentive program. Requires the Hawai'i Public Housing Authority ("HPHA") to adopt rules without regard to chapter 91, HRS, to establish specified incentives for landlords who participate in the tenant-based assistance housing choice voucher program under section 8 of the United States Housing Act of 1937. Requires that the HPHA adopt rules to establish a maximum of fifteen days after receipt of an owner's or landlord's inspection request as a reasonable time within which to inspect a dwelling unit for lease under the section 8 housing choice voucher program. Appropriates funds.

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

HAR respectfully requests that the inspection time be reduced from 15 days to 7 days as a reasonable time to inspect a dwelling unit. The more we make the process competitive and similar in timeframes to market rentals, the more housing providers would be willing to participate and the quicker tenants will be able to move in to a place to call home.

Mahalo for the opportunity to testify.



PARTNERS IN CARE

Oahu's Continuum of Care

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

COMMENTS ON HB 1752 HD1: RELATING TO HOUSING

TO: House Committee on Consurmer Protection and Commerce

FROM: Partners In Care (PIC)

Hearing: Friday, 2/11/22; 2:00 pm; via videoconference

Chair Johanson, Vice Chair Kitagawa, and Members, Committee on Consumer Protection and Commerce:

Thank you for the opportunity to provide Comments on HB 1752 HD1, which would create a landlord incentive program for Section 8, and require the Hawaii Public Housing Authority to adopt rules to complete the housing inspection within 15 days. Partners In Care (PIC), a coalition of more than 60 non-profit homelessness providers and concerned organizations, works on Oahu to end homelessness.

Partners In Care works with landlords in our Oahu Housing Now program. We have successfully placed 286 families, as of January 2022, into permanent housing, many utilizing rental assistance programs. We have seen that the incentives that we can offer to landlords work. We have seen the benefits both to stabilze rents for the formerly homeless tenants and the landlords. However, our effectiveness is hampered due to the lack of landlords who will consider this valuable resource. For example, one homeless individual was issued a voucher in Feburary 2021, and although they received multiple extensions and submitted multiple applications each week, were still unable to find a lordlord willing to consider the housing voucher as of November 2021.

While supporting incentives, Partners In Care also respectfully urges you to amend this bill to include a strong prohibition of source of income discrimination. We respectfully suggest that the language from HB 981 (2021) be added to this bill. Our community can work on landlord concerns like the time for inspections, etc. but we also need a level playing field for voucher holders to access available rentals.

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

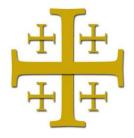
During the pandemic, more and more people have sought housing assistance and the tens of millions of Section 8 dollars and other subsidies have also supported landlords. The federal govennment responded to the pandemic by allocating hundreds of new Section 8 vouchers to the counties and state. Recently, Hawai'i received 700 new Housing Vouchers. If Hawai'i cannot use these vouchers, this valuable resource may be lost. Hawai'i needs to protect households with housing assistance from discrimination, allowing them to apply and be judged on the same tenancy qualifications as other applicants instead of being judged only on their participation in an assistance

program. It would not change the current standards of the industry and would allow landlords to verify income sources and evaluate prospective tenants like they would other tenants, including based on creditworthiness.

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

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

Mahalo.



ST. MICHAEL THE ARCHANGEL CHURCH

75-5769 Ali'i Drive • Kailua-Kona, Hawaii 96740 PH: (808) 326-7771 • Email: stmichaelarchangel@rcchawaii.org Website: stmichaelparishkona.org

February 10, 2022

House Committee on Consumer Protection and Commerce – Chair and Members

RE: HB1752 HD1 Support with amendments

This bill gives incentives to landlords who participate in the Section 8 housing voucher program to cover repair costs.

We all know there is a shortage of affordable housing throughout our state. Landlords have a multitude of applicants for available rentals. Section 8 housing voucher holders end up at the end of the line or are not even considered. Adding incentives to landlords like covering the repair costs above the security deposit would make the section 8 program more attractive and financially possible.

In addition, landlords are advertising that section 8 voucher recipients need not apply.

We ask that you encourage that a strong prohibition of source of income discrimination be ADDED to this bill.

Thank you for your consideration, please strengthen this bill and move it forward.

Humbly,

Shirley David

Shirley David, Pastoral Council Chair St. Michael the Archangel Church

HB-1752-HD-1

Submitted on: 2/10/2022 1:57:11 PM

Testimony for CPC on 2/11/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Kristen Alice	Community Alliance Partners	Support	Yes

Comments:

Community Alliance Partners supports this bill and respectfully request amendments that would:

- 1. Fully prohibit discrimination based on a renter's voucher status
- 2. Enforce the prohibition of this practice through a private civil action in court with damages that are high enough to dissuade the practice

Mahalo for the opportunity to submit testimony.

HB-1752-HD-1

Submitted on: 2/10/2022 1:53:02 PM

Testimony for CPC on 2/11/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Blanche Hatori	Individual	Support	Yes

Comments:

I support this with amendments to fully outlaw discrimination against low income people who use section 8. This disproportionately hurts elders and disabled people with special needs. Many landlords don't understand, and they should be educated on the section 8 program because it provides guaranteed rent.

I also request an amendment that would make the penalties high enough that landlords will not even think about discriminating.



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Visit us on the web: www.hopeserviceshawaii.org

Connect via email: info@hopeserviceshawaii.org

HOPE Help Line: 808-935-3050

COMMENTS ON HB1752: RELATING TO HOUSING

TO: Committee Chair, Vice-Chair and Members

FROM: Brandee Menino, CEO, Hope Services Hawai'i, Inc.

Hearing: CPC, 2-10-22 at 2:00

Aloha,



Thank you for the opportunity to provide input on HB1752 HD1, which would provide incentives for landlords who rent residential units to tenants who utilize housing vouchers. We support these incentives, and respectfully request the following **amendments:**

- 1) The full prohibition of discrimination based on a renter's housing voucher status and,
- 2) the enforcement of the prohibition of this practice through private civil action in court with damages that are high enough to dissuade the practice.

As the CEO of Hawai'i Island's largest homeless service provider, I cannot emphasize enough how desperately we need to end rental income discrimination. However, HB1752 HD1 would not prohibit actual discrimination. Although a bill providing landlord incentives may encourage some landlords to rent to our neighbors utilizing vouchers, it likely will not be enough to make a dent in the <u>overwhelming</u> need for units available to voucher holders. We need swift, decisive action to from the state to send the message that discriminating against people because they cannot afford housing without a voucher is a prejudiced and intolerant practice that causes: 1) the expiration of vouchers before they can be utilized, 2) the extension of time that housing-ready people spend in congregate shelter, and 3) increased rates of homelessness.

Last year our housing team sounded the alarm that rental housing discrimination is making it impossible to find housing for tenants who are employed, have a deposit, and are prepared to take care of their new home. The team asked for help in educating landlords about renting to tenants on vouchers, in order to dispel pervasive myths, such as tenants on vouchers being destructive, and inspections being unreasonably difficult. Of course, we can (and do) share information to counter this narrative, such as recommendations from landlords we work with, and the entirely reasonable section 8 inspection checklist. But the reality is that we cannot fix this problem on our own. Many of the rental properties are owned by out-of-state landlords or Real Estate Investment Trusts, who'd be difficult, if not impossible, to persuade. The effort expended by our housing team in searching through ad after ad, only to find that the family they're working with won't even be given a chance to apply, is frustrating, demoralizing, and wasteful. It means that when our team could be taking their clients to view apartments, they are combing through Craigslist ads, only to find "No Hope Services" at the bottom of an otherwise promising listing. Instead of helping a family move into their permanent home, our team is calling a long list of realtors, begging them to make an exception. Instead of welcoming a disabled kūpuna living in a tent

Page 1 of 2





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Connect via email: info@hopeserviceshawaii.org

HOPE Help Line: 808-935-3050

into a room in our emergency shelter, our team is pleading with property management companies, only to be told "the owner will not accept section 8."

As long as rental income discrimination remains legal, there will be a perception that it is acceptable, and no amount of education will change that. What's more, taxpayers are subsidizing this discrimination through the cost of government contracts that pay for the extra nights housing-ready families spend in shelters, and the extra labor our team does as they search for landlords willing to give our tenants a chance. With the rise in property purchases by out-of-state landlords paying above market value, what should be a simple task has become a monumental challenge.

It's important to note that homelessness doesn't cut across society equally. Native Hawaiians and Pacific Islanders are disproportionately impacted, as are single mothers and others who are marginalized in society. As our Housing Locator, Matthew Ua, testified last year, "We all know that discrimination occurs based on an applicant's race, gender, disability, age, and religious beliefs, but it is my opinion, that what I've witnessed is discrimination based on a piece of paper that covers all the aforementioned categories."

Real estate in Hawai'i is like a pie--when a person owns a slice (or two or three slices) it means there is less available for everyone else. The very least we should be asking of landlords is to equally consider applicants who have the ability to pay the rent--whether they need a government subsidy or not. Therefore, we respectfully request that you support HB1752 HD 1 with amendments.

Mahalo nui for your consideration.

Sincerely.

Brandee Menino.

Chief Executive Officer