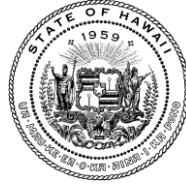


DAVID Y. IGE
GOVERNOR

JOSH GREEN M.D.
LT. GOVERNOR



ISAAC W. CHOY
DIRECTOR OF TAXATION

STATE OF HAWAII
DEPARTMENT OF TAXATION
P.O. BOX 259
HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
FAX NO: (808) 587-1560

To: The Honorable Clarence K. Nishihara, Chair;
The Honorable Lynn DeCoite, Vice Chair;
and Members of the Senate Committee on Public Safety, Intergovernmental, and
Military Affairs

The Honorable Joy A. San Buenaventura, Chair;
The Honorable Les Ihara Jr., Vice Chair;
and Members of the Senate Committee on Human Services

From: Isaac W. Choy, Director
Department of Taxation

Date: Thursday, February 10, 2022
Time: 1:00 P.M.
Place: Via Video Conference, State Capitol

Re: S.B. 2775, Relating to Recidivism Prevention

The Department of Taxation (Department) appreciates the intent of S.B. 2775 and offers the following comments.

S.B. 2775 creates a five-year recidivism prevention pilot program to include a housing voucher program, child care voucher program, and a nonrefundable income tax credit for employers of program participants. This measure takes effect on July 1, 2022.

The income tax credit for employers of program participants, as written in section (e)(1) of the measure, is "equal to the amount of contribution paid by the taxpayer pursuant to section 383-61, Hawaii Revised Statutes (HRS), for the program participant." Section 383-61, HRS, relates to contributions for Hawaii Employment Security Law, labor and industry.

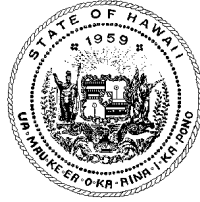
The Department notes that the measure does not contain procedure for verification of eligible employees when taxpayers claim this tax credit. The Department recommends that the measure be amended to include a provision requiring the agency administering this new program to inform the Department of who is participating in the program and who the participants are employed by.

Similarly, there is no provision for the verification of the amounts paid to the Department of Labor and Industrial Relations (DLIR) pursuant to section 383-61, HRS. The Department recommends that the measure be amended to provide DLIR with the statutory authority to provide the Department with the information necessary to verify tax credit claims.

Finally, the Department respectfully requests that the effective date of this new tax credit be amended so that the new tax credit applies to taxable years after December 31, 2022. This will provide the Department time to make the necessary forms, instructions, and computer system changes.

Thank you for the opportunity to provide comments on this measure.

DAVID Y. IGE
GOVERNOR



STATE OF HAWAII
DEPARTMENT OF PUBLIC SAFETY
1177 Alakea Street, 6th Floor
Honolulu, Hawaii 96813

MAX N. OTANI
DIRECTOR

Maria C. Cook
Deputy Director
Administration

Tommy Johnson
Deputy Director
Corrections

Jordan Lowe
Deputy Director
Law Enforcement

No. _____

**TESTIMONY ON SENATE BILL 2775
RELATING TO RECIDIVISM PREVENTION.**

by
Max N. Otani, Director
Department of Public Safety

Senate Committee on Public Safety, Intergovernmental, and Military Affairs
Senator Clarence K. Nishihara, Chair
Senator Lynn DeCoite, Vice Chair

Senate Committee on Human Services
Senator Joy A. Buenaventura, Chair
Senator Les Ihara, Jr., Vice Chair

February 10, 2022; 1:00 p.m.
State Capitol, Room 430 & and Via Videoconference

Chairs Nishihara and San Buenaventura, Vice Chairs DeCoite and Ihara, and
Members of the Committees:

The Department of Public Safety (PSD) has reviewed Senate Bill 2775, which seeks to appropriate funds to develop a 5-year pilot program for female offenders exiting from incarceration at the Women's Community Correctional Center (WCCC) to assist with reentry efforts for a 2-year period. The Department welcomes any assistance to enhance reentry and community efforts to facilitate an offender's successful return and respectfully offers the following comments.

PSD notes that the Department's jurisdiction ends upon the offender's release on parole or at the end of sentence. At that point, the Department is prohibited from issuing any orders to the now, "ex-offender", to participate in or comply with any community-based programs. In addition, PSD has no jurisdiction over offenders who are not incarcerated. The Department believes this separate and distinct

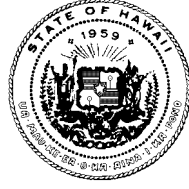
Testimony on Senate Bill 2775
Senate Committee on Public Safety,
Intergovernmental, and Military Affairs
Senate Committee on Human Services
February 10, 2022
Page 2

category of offenders would be better served by participation in jail diversion programs, which would not be available to or appropriate for incarcerated offenders.

Offenders sentenced to the custody and care of PSD for one (1) year or less are identified as jail inmates. Offenders sentenced to more than 1 year of imprisonment, are identified as prison inmates, most of whom, if not released at the end of their sentence(s), will fall under the jurisdiction of the Hawaii Paroling Authority (HPA). While the Department supports the intent of this measure to enhance reentry and community opportunities, it notes that jurisdictional issues may preclude PSD's participation in certain programs. However, regardless of the presiding authority, the Courts, PSD, and/or the HPA, the Department is committed to providing critical reentry programming while the offender is in the custody and care of PSD.

Thank you for the opportunity to provide comments on SB 2775.

DAVID Y. IGE
GOVERNOR



CATHY BETTS
DIRECTOR

JOSEPH CAMPOS II
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

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

February 9, 2022

TO: The Honorable Clarence K. Nishihara, Chair
Senate Committee on Public Safety, Intergovernmental, and Military Affairs

The Honorable Joy A. San Buenaventura, Chair
Senate Committee on Human Services

FROM: Cathy Betts, Director

SUBJECT: **SB 2775 – RELATING TO RECIDIVISM PREVENTION.**

HEARING: February 10, 2022, 1:00 p.m.
Via Videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this measure, provides comments, and requests clarification. Further, DHS defers to the Departments of Public Safety (PSD) and Taxation. Lastly, DHS respectfully requests that any appropriation not reduce or replace budget priorities identified in the executive budget.

PURPOSE: The purpose of this measure is to establish within the Department of Public Safety Reentry Office, a 5-year Recidivism Prevention Pilot Program, consisting of three components: the housing voucher program, child care voucher program, and income tax credit for employers to assist the reentry efforts of certain individuals who exited from the Women's Community Correctional Center, for two years after the exit. Establishes five Transition Navigator positions (5.00 FTE) within the Department of Public Safety Reentry Office. Appropriates funds.

The department agrees that more resources are needed to support women who have exited the women's correctional center and appreciates this comprehensive proposal. The

department will work with PSD to understand how former jail and prison inmates may access the existing benefit programs of DHS. The DHS Med-QUEST division has a working relationship with PSD to have prison inmates apply for Medicaid coverage before exiting. In addition, our staff has provided training to community groups working with former inmates on accessing DHS programs.

DHS requests clarification if the Legislature intends to provide state general funds for the identified vouchers or whether the expectation is that former inmates will access existing federally or state-funded programs. DHS will continue to work with PSD to develop pre-exit strategies so that inmates have the necessary information to access existing programs as soon as they can after exiting jail or prison. However, the primary resource that women exiting jail or prison need is safe housing; it is challenging to follow up with individuals who do not have an address.

Notably, the Legislature should also consider that, depending upon the individual's household size upon exiting jail or prison, if these are new kinds of vouchers, it is unclear how DHS programs will consider these vouchers for eligibility for existing programs.

DHS is open to discussion on how to maximize existing resources to accomplish the purpose of this measure. DHS also asks the Legislature to support SB2306/HB1741 Relating To Children And Family Of Incarcerated Individuals, which proposes a small pilot to work with inmates exiting from Waiawa Correctional Center.

Thank you for the opportunity to provide testimony on this bill.

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
DEPUTY DIRECTOR

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

**STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE**

P.O. BOX 150
HONOLULU, HAWAII 96810-0150

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

WRITTEN ONLY

TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEES ON PUBLIC SAFETY, INTERGOVERNMENTAL,
AND MILITARY AFFAIRS AND HUMAN SERVICES
ON
SENATE BILL NO. 2775

**February 10, 2022
1:00 p.m.
Via Videoconference**

RELATING TO RECIDIVISM PREVENTION

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

Senate Bill No. 2775 does the following: 1) establish a five-year Recidivism Prevention Pilot Program (RPPP) within the Department of Public Safety Reentry Office (PSD-RO), consisting of the housing voucher program, child care voucher program, and income tax credit for employers, to assist the reentry efforts of program participants for two years following the individual's exit from the Women's Community Correctional Center; 2) establish 5.00 full-time equivalent Transition Navigator positions within the PSD-RO; and 3) appropriate an unspecified amount of general funds to PSD for FY 23 to fund the operations of RPPP, including the hiring of necessary staff.

B&F notes that the federal American Rescue Plan (ARP) Act restricts states from using ARP Coronavirus State Fiscal Recovery Funds (CSFRF) to directly or indirectly offset a reduction in net tax revenue resulting from a change in law, regulation, or administrative interpretation beginning on March 3, 2021, through the last day of the

fiscal year in which the CSFRF have been spent. If a state cuts taxes during this period, it must demonstrate how it paid for the tax cuts from sources other than the CSFRF, such as:

- By enacting policies to raise other sources of revenue;
- By cutting spending; or
- Through higher revenue due to economic growth.

If the CSFRF provided have been used to offset tax cuts, the amount used for this purpose must be repaid to the U.S. Treasury.

The U.S. Department of Treasury has issued rules governing how this restriction is 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 this ARP restriction.

Additionally, B&F 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 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.

DAVID Y. IGE
GOVERNOR



STATE OF HAWAII
HAWAII PAROLING AUTHORITY

1177 Alakea Street, First Floor
Honolulu, Hawaii 96813

EDMUND "FRED" HYUN
CHAIR

GENE DEMELLO, JR.
CLAYTON H. W. HEE
MILTON H. KOTSUBO
CAROL K. MATAYOSHI
MEMBERS

KEVIN S. REGO
ACTING ADMINISTRATOR

No. _____

TESTIMONY ON SENATE BILL 2775
RELATING TO RECIDIVISM PREVENTION

by
Edmund "Fred" Hyun, Chairman
Hawaii Paroling Authority

Senate Committee on Public Safety, Intergovernmental, and Military Affairs
Senator Clarence K. Nishihara, Chair
Senator Lynn DeCoite, Vice Chair

and

Senate Committee on Human Services
Senator Joy A. San Buenaventura, Chair
Senator Les Ihara, Jr., Vice Chair

Thursday, February 10, 2022 – 1:00 pm.
State Capitol, Via Video Conference

Chair Nishihara, Vice Chair DeCoite, and Members of the Committee; and
Chair Buenaventura, Vice Chair Ihara, and Members of the Committee

The Hawaii Paroling Authority (HPA) supports the intent of Senate Bill 2775 project as it relates to the re-entry transition from incarceration into the community, especially for the female population. This underserved population would greatly benefit from more housing, child care, and employment opportunities.

HPA understands that this is a pilot project for female offenders exiting from the Women's Community Correctional Center and hopes that after the first year, the project would be expanded to include facilities on the neighbor islands.

Thank you for the opportunity to provide testimony on Senate Bill 2775.



Chamber of Commerce HAWAII

The Voice of Business

**Testimony to the Senate Committee on Public Safety, Intergovernmental, and
Military Affairs
Thursday, February 10, 2022, at 1:00 P.M.
Via Videoconference**

RE: SB 2775 Relating to Recidivism Prevention

Chair Nishihara, Vice Chair DeCoite, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** SB 2775, which Establishes within the Department of Public Safety Reentry Office, a 5-year Recidivism Prevention Pilot Program, consisting of three components: the housing voucher program, childcare voucher program, and income tax credit for employers to assist the reentry efforts of certain individuals who exited from the Women's Community Correctional Center, for two years after the exit. Establishes five Transition Navigator positions (5.00 FTE) within the Department of Public Safety Reentry Office. Appropriates funds.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

This 5-year Recidivism Prevention Pilot Program is vital to the success of recently released people in our state. Obtaining post-release housing, childcare, and other assistance is needed to have the chance to obtain employment. By obtaining employment, recently released individuals are not only helping themselves get back on their feet, but helps their families, their community, and the economy of the state.

One of the biggest roadblocks to employment of recently released individuals is that they do not have the necessary support to even think about obtaining employment and bettering their lives. By passing this bill and supporting this pilot program, the state is taking a step in the right direction to ensuring that recently released people have the support they need to reenter society and contribute to making their community a better place.

Thank you for the opportunity to testify.



HAWAII SUBSTANCE ABUSE COALITION

SB2775 Recidivism Prevention Program Pilot

COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS

Senator Clarence K. Nishihara, Chair

Senator Lynn DeCoite, Vice Chair

COMMITTEE ON HUMAN SERVICES

Senator Joy A. San Buenaventura, Chair

Senator Les Ihara, Jr., Vice Chair

Tuesday, Feb 10 2022: 1:00 pm : Videoconference

Hawaii Substance Abuse Coalition Supports SB2775:

ALOHA CHAIR, VICE CHAIR AND DISTINGUISHED COMMITTEE MEMBERS. My name is Alan Johnson. I am the current chair of the Hawaii Substance Abuse Coalition (HSAC), a statewide organization for substance use disorder and co-occurring mental health disorder treatment and prevention agencies.

Successful reentry contains these elements *if needed*:

- 1. Substance use disorder treatment or co-occurring substance abuse and mental health treatment**
- 2. Mental health treatment (no substance abuse)**
- 3. Criminality programs to change attitudes and beliefs about crime.**
- 4. Housing**
- 5. Family reunification**
- 6. Employment and/or Education**
- 7. Support from Probation/Parole**
- 8. Case management as needed.**
- 9. Healthcare**
- 10. Mentoring**

Reentry is a highly cost-effective investment.

We appreciate the opportunity to provide testimony and are available for further questions.

SB-2775

Submitted on: 2/8/2022 8:48:47 PM

Testimony for PSM on 2/10/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Linda Rich	Testifying for Women's Prison Project	Support	Yes

Comments:

COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS

Senator Clarence K. Nishihara, Chair

Senator Lynn DeCoite, Vice Chair

COMMITTEE ON HUMAN SERVICES

Senator Joy A. San Buenaventura, Chair

Senator Les Ihara, Jr., Vice Chair

HEARING DATE: Thursday, February 10, 2022

TIME: 1:00 PM, Via Videoconference

SUPPORT FOR SB2775 RELATING TO RECIDIVISM PREVENTION

Aloha Chairs Nishihara and Buenaventura, Vice Chairs DeCoite and Ihara, and committee members. My name is Linda Rich and I am testifying on behalf of the Women's Prison Project in **STRONG SUPPORT** of SB2775, RELATING TO RECIDIVISM PREVENTION.

SB2775 establishes a five-year pilot project to reduce recidivism and increase the chances that women will successfully rejoin the community after leaving the Women's Community Correctional Center. The pilot project has three parts—the housing voucher program, child care voucher program and the tax credit for employers who hire program participants.

The housing and child care vouchers would total a maximum of \$30,000 per participant for each of the two years after they leave WCCC. The state spends more than \$70,000 a year to house

each offender at WCCC. Women would only be eligible for the program if they are working or attending an education, substance abuse or parenting program for a combined minimum of 20 hours each week.

Hawaii's high housing and child care costs are nearly impossible to manage for a recently released woman. Poverty is the strongest predictor of recidivism among women. Providing state-sponsored support to address short-term needs such as housing reduces the odds of recidivism by 83% for poor women on probation and parole (Holtfreder et.al. 2004).

The bill also provides funding for five, full-time "transition navigators" to assist women exiting WCCC to successfully rejoin their families and the community. These positions will provide the kind of support needed for a successful transition after spending years in prison.

The Women's Prison Project strongly supports SB2775.

Mahalo for considering our thoughts on this matter. If I can answer any questions, please contact me at richl001@hawaii.rr.com.

Linda Rich, on behalf of the Women's Prison Project.

SB-2775

Submitted on: 2/7/2022 5:01:49 PM

Testimony for PSM on 2/10/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Dara Carlin, M.A.	Individual	Support	No

Comments:

Stand in Support.

COMMITTEE ON HUMAN SERVICES, PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS

Senator Joy A. San Buenaventura
Senator Les Ihara, Jr.

Senator Clarence K. Nishihara
Senator Lynn DeCoite

Thursday, February 10, 2022 at 1300 HST

RE: Testimony in SUPPORT of SB2775 Relating to Recidivism Prevention

Aloha Chair Joy A. San Buenaventura, Vice Chair Les Ihara, Jr., and the members of the Committee on Human Services; Chair Clarence K. Nishihara, Vice Chair Lynn DeCoite, and the members of the Committee on Public Safety, Intergovernmental, and Military Affairs:

Mahalo for hearing SB2775 relating to recidivism prevention. I am writing in **strong support** of SB2775 which establishes within the Department of Public Safety Reentry Office:

- A 5-year Recidivism Prevention Pilot Program, consisting of three components:
 - The housing voucher program
 - Child care voucher program, and
 - Income tax credit for employers to assist the reentry efforts of certain individuals who exited from the Women's Community Correctional Center (for two years after the exit).
- Establishes five Transition Navigator positions (5.00 FTE) within the Department of Public Safety Reentry Office and appropriates funds.

Two things are known to consistently increase as the years go by:

1. The cost of living
2. Incarceration rates in the U.S.

Despite the surge in the cost of living, worker wages have not increased to reflect inflation. Consequently, desperate and disparate living conditions have made great contributions to the rate of mass incarceration in the U.S. There is a strong correlation between poverty and incarceration. Additionally, the difficulties one faces upon re-entry leave them susceptible to recidivism.

I believe the three components of the Recidivism Prevention Pilot Program will provide formerly incarcerated people a much-needed boost that will allow them to rebuild their lives upon reentry. Housing and child care assistance are crucial for working families; it will provide stability for a formerly incarcerated person as they navigate the job market and regain a sense of stability. For this reason, I **strongly support** SB2775.

Mahalo for considering my testimony,

Soon Kim
Senate District 15

SB-2775

Submitted on: 2/8/2022 7:46:50 PM

Testimony for PSM on 2/10/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Robin Hart	Individual	Support	No

Comments:

I am writing to ask that this bill be passed. I am very much in support of this five-year pilot program to help women transition from prison and back into society with housing and childcare vouchers, and tax breaks for prospective employers that hires these women.

Hawaii's high housing and child care costs are nearly impossible to manage for a recently released woman. Poverty is the strongest predictor of recidivism among women. Providing state-sponsored support to address short-term needs such as housing reduces the odds of recidivism by 83% for poor women on probation and parole (Holtfreder et.al. 2004).

The bill also provides funding for five, full-time "transition navigators" to assist women exiting WCCC to successfully rejoin their families and the community. These positions will provide the kind of support needed for a successful transition after spending years in prison.

This is all so necessary. Please pass this bill. Thank you.

February 9, 2022

TO: The Honorable Senator Clarence K. Nishihara, Chair
Senate Committee on Public Safety, Intergovernmental, and Military
Affairs

The Honorable Senator Joy A. San Buenaventura, Chair
Senate Committee on Human Services

FROM: Carmen Hulu Lindsey, Chair
Board of Trustees at the Office of Hawaiian Affairs

SUBJECT: SB 2775 – RELATING TO RECIDIVISM PREVENTION.

Hearing: February 10, 2022, 1:00 p.m.
Via Videoconference, State Capitol

I am providing written testimony on behalf of the Women's Prison Project in support of S.B. 2775. With our high recidivism rates, the five-year recidivism prevention pilot program would be extremely helpful in mitigating those rates and giving Hawai'i women a fighting chance at success as they begin to navigate life after prison. Generally speaking, we know that housing, childcare and employment are crucial to survival for many individuals and families, resulting in programs and services that can assist those struggling in those areas. The difference between women in the general public and the women this bill advocates for, is a criminal record and time served in prison. Life is and will continue to be an uphill climb for these women because of mistakes they made; however I do believe they deserve a chance to better conditions for themselves and their families but they cannot do that without the proper assistance, resources and support. Be the beacon of light for our women.

I mahalo the Committees for the opportunity to provide written testimony of support on this measure.