<u>SB2559</u>

Measure Title: Report Title: Description:

RELATING TO HOMELESSNESS. Homeless Shelters; Requirements; Appropriation (\$)

Establishes minimum requirements for emergency shelters. Prohibits an emergency shelter from establishing or enforcing a maximum period of stay for homeless families or individuals. Requires homeless shelter stipends to be paid for achievement of performance measures. Repeals the automatic annual adjustment of homeless shelter stipend amounts. Revises existing provisions on the establishment and collection of shelter and service payments from homeless families and individuals. Requires homeless service provider agencies to submit a financial audit to the department of human services at least annually. Establishes 2.0 FTE positions to assist in the procurement and monitoring of homeless shelter contracts. Appropriates funds.

Companion:
Package:
Current Referral:
Introducer(s):

None HOU/HMS, WAM TOKUDA, DELA CRUZ, ENGLISH, GALUTERIA, INOUYE, KIDANI, KOUCHI, Baker, Nishihara



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STATE OF HAWAII DEPARTMENT OF HUMAN SERVICES

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

February 09, 2016

TO: The Honorable Senator Suzanne Chun Oakland, Chair Senate Committee on Human Services The Honorable Senator Breene Harimoto, Chair

The Honorable Senator Breene Harimoto, Chair Senate Committee on Housing

FROM: Rachael Wong, DrPH, Director

SUBJECT: SB 2559 – RELATING TO HOMELESSNESS

Hearing: Tuesday, February 09, 2016, 1:20 p.m. Conference Room 016, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this measure as it addresses key areas of focus for the Homeless Programs Office's administration of homeless shelters statewide, and also acknowledges the need for additional capacity within HPO to address administrative requirements. We note that the Governor's Executive Budget includes a request for two FTE positions within the HPO, and ask for the Legislature's support of the Executive Budget.

PURPOSE: The purpose of the bill is to establish minimum requirements for emergency shelters, prohibit an emergency shelter from establishing or enforcing a maximum period of stay for homeless families or individuals, require homeless shelter stipends to be paid for achievement of performance measures, repeal the automatic annual adjustment of homeless shelter stipend amounts, revise existing provisions on the establishment and collection of shelter and service payments from homeless families and individuals, and requires homeless service provider agencies to submit a financial audit to DHS at least annually. The bill would also establish 2.0 FTE positions

to assist in the procurement and monitoring of homeless shelter contracts, and appropriates an unspecified amount of funds to DHS.

The working definition of an emergency homeless shelter is that it is a short-term, interim, triage oriented safe place that unsheltered homeless individuals and families can receive care (e.g., food, hygiene, medical interventions, etc.) and a safe place to rest for the night. This setting is appropriately time-limited because most of the facilities used for emergency shelter purposes are not structured toward long term occupancy. The Department believes that removing the tenancy limits at emergency homeless shelters will have significant consequences for the system of care currently in place, and especially for the systemic changes that the Department anticipates for the new future. Extending length of stays in emergency shelters will reduce our system to one form of shelter versus the current designation of emergency and transitional shelters.

DHS understands the notion behind removing maximum periods of stay at emergency shelters, however, removing maximum periods of stay will not benefit our clients and runs contrary to the goal of achieving permanent housing. Differentiated services at both the emergency and transitional shelter levels helps to allocate resources based on client needs. Additionally, when considering all facilities currently being utilized as emergency shelters, it is clear that dramatic renovations would need to be made to up-grade shelters to be able to house individuals and families for indefinite periods of time. The shelters should not be looked at as housing (unlimited stay) because they are not operated according to landlord tenant laws, and the services provided in shelters are very expensive.

The Department currently administers contracts for 43 emergency and transitional homeless shelters across the state at a cost of approximately \$13 million. We are working on a new Request for Proposal (RFP) that will move our system of care closer to being a Housing First system, i.e. one that focuses on permanent housing outcomes, removes barriers for the homeless to enter into services, and utilizes evidence based practices such as Housing First and Rapid Re-Housing to achieve positive outcomes. This systemic change has been more than four years in the making and has been driven by the need to optimize limited resources, implement best practices that have been effective in multiple other cities and states, and provide the level of care and resources needed by each homeless individual and family.

Some of the items contained in the proposed measure will be addressed by the anticipated RFP; these include changes to payment schedules that address utilization rates for shelter beds in emergency shelters and shelter units in transitional shelters. The DHS notes that any changes to providers' ability to collect shelter fees from homeless clients, especially in the transitional shelter settings, will have a detrimental effect on providers' ability to stay afloat financially. Shelter providers routinely collect nominal fees from clients and use these fees to offset operational expenses. Some agencies collect the nominal fees and refund a large portion of the fee to the clients upon exit to another program or housing opportunity. If the DHS is to limit the collection of fees by homeless shelter providers, increased funding through HPO will be required. We also note that if fees are reasonable, they represent the homeless client's commitment to larger goals of self-sufficiency. If individuals and families are capable of paying for some of the cost associated with their housing and services, this promotes responsibility and accountability on the part of the client. The Department is committed to ensuring that providers' collection of fees is reasonable.

Thank you for the opportunity to testify on this bill.

HAWAII YOUTH SERVICES NETWORK

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We do not believe that the authors of this bill intended it to apply to unaccompanied youth whose needs and issues related to homelessness are very different from the circumstances and challenges of working with adults and families. We recommend that the bill language be clarified to specify that these requirements apply to shelters that serve homeless adult individuals and families and not those shelters who accommodate minors only.

Thank you for this opportunity to testify.

Sincerely,

Gudatho F. Clark

Judith F. Clark, MPH Executive Director

Cynthía K.L. Rezentes

Testimony in **Support** of SB 2559 Relating to Homelessness Committee on Human Services and Committee on Housing Scheduled for Hearing Thursday, February 9, 2016, 1:20 PM, Room 016

Dear Chairs Chun Oakland and Harimoto, Vice Chairs Riviere and Galuteria and Members, Committee on Human Services and Committee on Housing:

Thank you for the opportunity to provide comments on SB 2559, which provides guidelines for shelters both emergency and transitional.

While appreciating the intent of the bill to make our emergency and transitional shelters more accountable to both the clients and community, I would hesitate to support any measure that allows no time limits for the time that an individual or family could reside in an emergency shelter. These shelters are meant to help stabilize families and prepare them to continue on a path to permanent housing. By removing the time limits currently in place, it may make it more difficult for the provider to work with the client and family to conscientiously work towards the next step of either moving into a transitional shelter or other permanent housing. There are currently clients who do not wish to move towards transitional or more permanent housing options and it is only with the time limit stick that we can use other carrots to help move them to other accommodations thereby opening up the path for others who need help also. We may find that these shelters now become a quasi-public housing facility, contrary to the intent of the shelters.

Thank you for the opportunity to provide comments