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STATE OF HAWAII EXECUTIVE OFFICE ON AGING

NO. 1 CAPITOL DISTRICT 250 SOUTH HOTEL STREET, SUITE 406 HONOLULU, HAWAII 96813-2831

Testimony in SUPPORT of SB2677 SD1, HD1 Relating to Homelessness

COMMITTEE ON FINANCE REPRESENTATIVE SYLVIA LUKE, CHAIR REPRESENTATIVE KYLE T. YAMASHITA, VICE CHAIR

Testimony of Caroline Cadirao
Director, Executive Office on Aging
Attached Agency to the Department of Health

Hearing Date: April 5, 2022

2:30 PM via Videoconference

Room Number: 308

- EOA's Position: The Executive Office on Aging (EOA), an attached agency to the Department
- of Health, supports SB2677 SD1, HD1, Relating to Homelessness.
- 3 **Fiscal Implications:** This measure appropriates an unspecified amount of funds from the
- 4 general revenues of the State for fiscal year 2022-2023 for the state rent supplemental program,
- 5 including an unspecified number of full-time equivalent public housing specialist positions
- 6 within the Hawaii public housing authority.
- 7 **Purpose and Justification:** The purpose of this bill is to temporarily expand the state rent
- 8 supplemental program to specifically target qualified kupuna who are sixty-two years of age or
- 9 older and are homeless or at imminent risk of becoming homeless and appropriate funds for this
- purpose. Many of Hawaii's kupuna are on fixed incomes and with the high cost of housing in
- Hawaii, many kupuna are forced to cut back on essential expenses, such as food, transportation,
- and medical care to just afford their housing needs. Any setback in our kupuna's income can put
- them at risk for becoming homeless. Creative, long-term, affordable housing options and

- creative, alternative housing strategies are direly needed to prevent homelessness with our
- 2 kupuna who are financially struggling.
- 3 **Recommendation**: The EOA supports this measure to expand the state rent supplemental
- 4 program to specifically target qualified kupuna who are sixty-two years of age or older and are
- 5 homeless or at imminent risk of becoming homeless, including appropriating funds for this
- 6 purpose, to prevent Hawaii's low income kupuna from becoming homeless.
- 7 Thank you for the opportunity to testify.

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 FINANCE
ON
SENATE BILL NO. 2677, S.D. 1, H.D. 1

April 5, 2022 2:30 p.m. Room 308 and Videoconference

RELATING TO HOMELESSNESS

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

Senate Bill No. 2677, S.D. 1, H.D. 1, adds a new section to Chapter 356D, HRS, to: 1) establish the State Rent Supplement Program for Kupuna (SRSPK) within the Hawai'i Public Housing Authority (HPHA); 2) set the duties and responsibilities of HPHA regarding the administration of SRSPK; and 3) authorize HPHA to enter into memoranda of agreement with counties or specialized non-profit organizations to implement SRSPK. The bill also sets a sunset date of June 30, 2025, for the new section and appropriates an unspecified amount of general funds in FY 23 to HPHA to administer SRSPK, including the funding of an unspecified amount of Public Housing Specialist positions.

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 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.



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 FINANCE

Tuesday, April 5, 2022 2:30 PM – Videoconference – Room 308, Hawaii State Capitol

In consideration of SB 2677, SD1, HD1
RELATING TO HOMELESSNESS

Honorable Chair Luke, and Members of the House Committee on Finance, thank you for the opportunity to provide testimony concerning Senate Bill (SB) 2677, SD1, HD1, relating to homelessness.

The Hawaii Public Housing Authority (HPHA) **supports** the enactment of SB 2677, SD1, HD1, which temporarily expands the state rent supplement program to specifically target qualified individuals who are sixty-two years of age or older and are homeless or at imminent risk of becoming homeless, so long as it does not adversely affect the Governor's Supplemental Budget.

The HPHA would truly appreciate the opportunity to administer the State Rent Supplement program for kupuna and has the expertise and track record to collaborate with the non-profit community to develop and manage this program to assist our most disadvantaged kupuna.

If the Legislature wishes for the HPHA to administer this program, please know that 1 Public Housing Specialist II position would be needed for every 250 families. Additionally, while the HPHA does not normally request exemptions, please know that to immediately establish this program, the HPHA would need exemptions from the Hawaii Public Procurement Code and

Hawaii Administrative rule making. If these exemptions are not provided, it will take approximately 6-8 months to go through the normal procurement and rulemaking process.

The HPHA stands ready to assist the Legislature in this endeavor and looks at this measure as an opportunity to be part of the overall solution needed to address all housing and homeless related issues in Hawaii.

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

DAVID Y. IGE GOVERNOR



EXECUTIVE CHAMBERS HONOLULU

April 5, 2022

TO: The Honorable Representative Sylvia Luke, Chair

House Committee on Finance

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

SUBJECT: SB 2677 SD1 HD1- RELATING TO HOMELESSNESS.

Hearing: Tuesday, April 5, 2022, 2:30 p.m.

VIA VIDEO CONFERENCE

State Capitol, Conference Room 308

POSITION: The Governor's Coordinator on Homelessness supports the intent of this measure and suggests a friendly amendment.

If this measure proceeds, the Coordinator requests its passage not replace or adversely impact priorities indicated in the executive budget request.

<u>PURPOSE</u>: The purpose of the bill is to temporarily expand the state rent supplement program to specifically target qualified individuals who are sixty-two years of age or older and are homeless or at imminent risk of becoming homeless. The bill also appropriates funds and requires HPHA to submit annual reports.

The Coordinator appreciates the amendments by the House Committee on Housing to temporarily expand the existing state rent supplement program, rather than establish a new Long-Term Rental Assistance Pilot Program. Additionally, the Coordinator appreciates the further amendments to remove the requirement that program participants pay no more than 50% of their net income for rent.

If this measure proceeds, the Coordinator suggests a friendly amendment to change the word "shall" on page 3, line 17 to "may" to encourage participation in the Continuum of Care's Coordinated Entry System (CES) for homeless services, rather than require it. Notably, the

Continuum of Care (CoC) does not currently have a mechanism for individuals at risk of homelessness that are unstably housed to access the Coordinated Entry System (CES), as the system is currently designed for individuals experiencing literal homelessness as defined by the U.S. Department of Housing and Urban Development.

The Coordinator recognizes the need to increase housing support for seniors aged 62 and older. Nearly one-third (27%) of renter households in Hawaii are severely housing cost-burdened, and this burden is especially acute for seniors on a fixed income, such as Social Security or disability benefits.

Thank you for the opportunity to testify on this measure.



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The State Legislature The House Committee on Finance Tuesday, April 5, 2022 2:30 p.m.

TO: The Honorable Sylvia Luke, Chair

RE: Support for S.B. 2677 S.D.1, H.D. 1 Relating to Homelessness

Aloha Chair Luke and Members of the Committee:

My name is Keali'i Lopez and I am the State Director for AARP Hawai'i. AARP is a membership organization of people age fifty and over, with over 140,000 members in Hawai'i. **AARP supports S.B. 2677 S.D. 1, H.D. 1** which establishes the pilot long-term rental housing assistance program for individuals over sixty-two years old who are homeless or at imminent risk of becoming homeless.

Hawaii's high cost of housing is making it unaffordable for many, but especially for those at low or fixed income. These residents are more vulnerable of becoming dependent on other family members for shelter, or face homelessness. Until recently, the federal relief funds have assisted many residents with their housing expenses during this COVID-19 pandemic. However, those funds are diminishing or have stopped which now put many at risk in losing their place of residence. According to 2021 Statista/AARP analysis of census data available by United States Census Bureau (USCB), there were 310 evictions and 2,150 homeless among Hawaii residents 55 years and older. The 2022 forecast is grimmer. It shows that the number of evictions for older residents will jump from 310 to 1,050, and homeless kūpuna will rise to 2,980. It is essential to assist older adults from facing housing crisis and therefore, the proposed S.B. 2677 will help many vulnerable kūpuna from being displaced from their residence.

AARP supports this measure and recommends an amendment in Section 2 (a) (2), which states "individuals participating in the program should not pay more than 50% of their income on rent." This typically refers to the extremely low-income residents being eligible for the subsidy. Since this program is also intended to assist "low-income" kupuna who are rent burdened, we respectfully recommend changing the percentage <u>from 50% to "30%"</u> so that more low-income individuals can qualify for this rental assistance. Thank you very much for the opportunity to **support S.B. 2677 S.D.1., H.D. 1.**

Sincerely,

Keali`i Lopez, State Director



CATHOLIC CHARITIES HAWAI'I

TESTIMONY IN SUPPORT OF SB 2677 SD1, HD1: RELATING TO HOMELESSNESS

TO: House Committee on Finance

FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawai'i

Hearing: Tuesday, 4/5/22; 2:30 pm; via videoconference

Chair Luke, Vice Chair Yamashita, and Members, Committee on Finance:

Thank you for the opportunity to provide testimony **in Strong Support** of **SB 2677 SD1, HD1**, which would temporarily expand the State Rent Supplement Program to target individuals sixty-two years of age or older who are homeless, or at imminent risk of becoming homeless, and appropriate funds. I am Rob Van Tassell, with Catholic Charities Hawai'i.

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

Catholic Charities Hawai`i has a Housing Assistance Program that counsels and assists elders to obtain affordable housing. Our biggest challenge is the lack of rentals that our clients can afford on their low incomes. This Program currently has over 50 seniors who are over 62 on our urgent waitlist (homeless or at imminent risk of homelessness). The average age is 75 years old! They are often long-term renters who have been displaced. D. is homeless and living in a car since 2018, since he could not stay where he had been living. DW's lease ended and 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.

Another case that should never happen just walked into our offices recently. An 81 year old woman with limited English had become homeless (living at a bus station) after she fell ill and could no longer work (at 81!). Although alert and able to use public transportation, all we could do immediately was to help her get on a waitlist for an emergency shelter which was full. She kept repeating, "I have never had to ask for help before."

The proposed expansion of the Hawaii Public Housing Authority's Rent Supplement Program is much needed by elders like these. We strongly support housing counseling and landlord assistance and other services to enable the most vulnerable elders to access housing. The economic stress of homelessness and the anxiety of facing no place to go when a lease ends or rent is increased, can have a huge impact on elders' health. In order for this program to provide timely services, we strongly support funding for additional staffing for the Rent Supplement Program within the Hawaii Public Housing Authority.

Please help. Please provide our kupuna with housing counseling and assistance to find housing and pay the ongoing rent. Please contact our Legislative Liaison, Betty Lou Larson at (808) 373-0356 or alohabettylou@hotmail.com if you have any questions.







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.

TESTIMONY IN SUPPORT SB 2677 SD1 HD1RELATING TO HOMELESSNESS

TO: House Committee on Finance,

FROM: Partners In Care (PIC)

Hearing: Tuesday, April 5th, 2022 2:30pm

Position: SUPPORT

Chair Luke and Members of the House Committee on Finance:

Partner In Care, Oahu's Continuum of Care, stands in <u>support</u> of **SB 2677 SD1 HD1 RELATING TO HOMELESSNESS.**

Kupuna has a deep and honored position in our Hawaii community. Our Kupuna should be honored and respected and should be seen as living treasures, but that is not the case for so many of our senior community members. Due to the high cost of living in Hawaii, we are pricing our Kupuna out of housing and much of their support system is moving away from the islands.

Partners In Care has assisted many seniors with housing assistance and this is one of the most difficult populations to find housing for due to their fixed income and complex health needs. This measure proposes housing assistance that will allow seniors 62 years of age and older that does not exceed 50%. We should continue to work to get more affordable senior housing in our community. Hawaii has a large aging population and we need to recognize this and support our Kupuna.

Our Kupuna deserve better, our elders deserve affordable housing so that they can be a resource and a teacher for our generation and beyond.

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

Aloha

<u>SB-2677-HD-1</u> Submitted on: 4/1/2022 3:08:52 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
L Basha	Individual	Support	Written Testimony Only

Comments:

The elderly houseless population is the most vulnerable and will benefit from increased support.

<u>SB-2677-HD-1</u> Submitted on: 4/2/2022 5:59:56 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
B.A. McClintock	Individual	Support	Written Testimony Only

Comments:

Please support this important bill.

Mahalo for your consideration.

Committee on Finance

Aloha Chair Luke and Vice Chair Yamashita,

Mahalo for the opportunity to testify in support of **SB 2677 Relating to Homelessness**, which would establish a long-term rental assistance pilot program for individuals sixty-two years of age or older who are homeless, or at imminent risk of becoming homeless.

As a social worker, student, and community member of Maui County, I **strongly support** and urge you to **pass SB 2677**. I support this bill because I directly serve the houseless communities of Maui and see the numbers of houseless Kupuna continue to rise. Other individuals I work with are currently at risk of houselessness and are unable to increase their income for meeting the demands of this current housing market.

I believe that our Kupuna would greatly benefit from a long-term housing assistance program like this because they are limited in options for an increase of income. Most of the Kupuna I work with are receiving a pension or other benefits like social security that are a fixed amount each month. Other Kupuna are receiving benefits from a disability that prevented them from working into their later age. These are examples of fixed incomes that do not change with the increase in the housing market. I believe it is important that we support our Kupuna in having affordable housing to prevent them from houselessness.

As the relief benefits from the Covid-19 Pandemic are ending, we must be diligent in making sure that the population if individuals sixty-two and older are taken care of. This population is already vulnerable enough during these times.

I appreciate the opportunity to independently testify in support of SB 2677 Relating to Homelessness, and strongly urge you to pass this bill.

Mikaila Samsen

MSW Candidate - University of Hawai'i at Manoa

Thompson School of Social Work & Public Health