JOSH GREEN, M.D. GOVERNOR OF HAWAI'I KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAI'I

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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 SB898 Relating to Kupuna Housing

COMMITTEE ON HEALTH AND HUMAN SERVICES SENATOR JOY A. SAN BUENAVENTURA, CHAIR SENATOR HENRY J.C. AQUINO, VICE CHAIR

COMMITTEE ON HOUSING SENATOR STANLEY CHANG, CHAIR SENATOR DRU MAMO KANUHA, VICE CHAIR

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

Hearing Date: February 7, 2023 2:15 PM Room Number: 225 via Videoconference

- 1 EOA's Position: The Executive Office on Aging (EOA), an attached agency to the Department
- 2 of Health, supports SB898, Relating to Kupuna Housing.
- 3 **Fiscal Implications:** This measure appropriates an unspecified amount of funds from the
- 4 general revenues of the State for fiscal year 2023-2024 and the same amount as may be
- 5 necessary for fiscal year 2024-2025 to the Hawai'i Public Housing Authority for a state rent
- 6 supplement program for kupuna, including an unspecified number of public housing specialist
- 7 positions within the Hawaii Public Housing Authority to support the program.
- 8 **Purpose and Justification:** The purpose of this bill is to temporarily expand the state rent
- 9 supplement program to specifically target qualified kupuna who are sixty-two years of age or
- 10 older and are homeless or at imminent risk of becoming homeless and appropriate funds for this
- 11 purpose. According to the latest U.S. Census Bureau data the poverty rate amongst Americans

age sixty-five and older has increased from 8.9% in 2020 to 10.3% in 2021. As housing costs 1 and inflation rise, kupuna, who rely on retirement income from Social Security and/or are on 2 fixed incomes, are struggling to pay for basic necessities. As a result, kūpuna are forced to cut 3 back on essential expenses, such as food, transportation, and medication just to stretch their finite 4 funds. Any setback in their income can affect their ability to pay their mortgage or rent and put 5 them at risk of becoming homeless. Creative, long-term, affordable housing strategies are needed 6 to prevent kūpuna, who are financially struggling, from becoming homeless 7 8 Recommendation: The EOA supports the intent of this measure and defers to the Hawaii Public 9 Housing Authority to provide state rent supplement assistance and services to Hawaii's vulnerable kupuna. 10

11 Thank you for the opportunity to testify.

JOSH GREEN, M.D. GOVERNOR



HAKIM OUANSAFI EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO EXECUTIVE ASSISTANT

IN REPLY, PLEASE REFER TO:

STATE OF HAWAII HAWAII PUBLIC HOUSING AUTHORITY

1002 NORTH SCHOOL STREET POST OFFICE BOX 17907 HONOLULU, HAWAII 96817

Statement of Hakim Ouansafi, Executive Director Hawaii Public Housing Authority

Before the Senate Committee on Health and Human Services and Senate Committee on Housing

> 2:15 p.m., February 7, 2023 Hawaii State Capitol Room 225

In consideration of SB 898 RELATING TO KUPUNA HOUSING

Honorable Chair San Buenaventura and Honorable Chair Chang, and members of the Committee on Health and Human Services and the Committee on Housing, thank you for the opportunity to provide testimony on Senate Bill (SB) 898, relating to kupuna housing.

The Hawaii Public Housing Authority (HPHA) <u>supports</u> the enactment of SB 898 which would temporarily expand the State's Rent Supplement Program to target qualified individuals who are sixty-two years or older and at imminent risk of homelessness.

The HPHA's mission is to provide Hawaii's residents with adequate and affordable housing, economic opportunity, and suitable living environments that are free from discrimination through both its public housing and rental assistance programs. The HPHA serves our state's most disadvantaged populations, including families earning less than thirty percent of the Area Median Income, the disabled, and the elderly.

Senate Committee on Health and Human Services Senate Committee on Housing February 7, 2023 Page 2

The HPHA would truly appreciate the opportunity to expand the capacity of the Rent Supplement Program to serve more of our community's at-risk kupuna. Our agency has the expertise to develop and manage the expansion of this program as well as a proven track record of successful collaborations with the non-profit community.

Please know that one (1) Public Housing Specialist II position will be needed for every 250 households served.

Our agency stands ready to assist the Legislature in this endeavor and believes this measure is a significant step forward to solving our State's affordable housing crisis. The HPHA appreciates the opportunity to provide the Committees with its testimony regarding SB898. We thank you for your dedicated and continued support.

JOSH GREEN, M.D. GOVERNOR KE KIA'ĀINA



BONNIE KAHAKUI ACTING ADMINISTRATOR

STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I STATE PROCUREMENT OFFICE

P.O. Box 119 Honolulu, Hawaii 96810-0119 Tel: (808) 586-0554 email: <u>state.procurement.office@hawaii.gov</u> <u>http://spo.hawaii.gov</u>



TESTIMONY OF BONNIE KAHAKUI, ACTING ADMINISTRATOR STATE PROCUREMENT OFFICE

TO THE SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES AND HOUSING February 7, 2023 2:15 PM

SENATE BILL 898 RELATING TO KUPUNA HOUSING

Chair Buenaventura, Chair Chang Vice Chair Aquino, Vice Chair Kanuha, and members of the committees, thank you for the opportunity to submit testimony on Senate Bill 898.

The State Procurement Office (SPO) supports the intent of the bill, however, objects to the procurement exemption for the selection of a qualified non-profit organization. The SPO recommends that the exemption language noted below be removed.

Page 4, lines 7 through 10 set forth below.

(d) The Hawaii public housing authority shall be exempt from chapter 103D in selecting a qualified non-profit organization to administer the long term rental assistance program for kupuna, and shall, without regard to chapter 91 establish rules and qualification standards for participants of the long term-rental assistance pilot program.

Exemptions to the procurement code have always been a concern of the SPO. As stated in the National Association of State Procurement Officials (NASPO) white paper on "Ethics and Accountability," "Maintaining the integrity of public procurement is one of the most important pillars of government."

Senate Bill 898 Committees on Health and Human Services and Housing February 7, 2023 Page 2

The bill does not cite a justification why the Kauhale program needs to be exempt from Hawaii Revised Statutes (HRS) chapter 103D, "Hawaii Public Procurement Code" (Code). The SPO recommends that the bill include compelling reasons for this exemption, otherwise, the agency should adhere to the Code.

Chapter 103D, HRS, is the State's single source of public procurement policy to be applied equally and uniformly, while providing fairness, open competition, a level playing field, government disclosure, and transparency in the procurement and contracting process vital to good government. Public procurement's primary objective is to provide everyone equal opportunity to compete for government contracts, to prevent favoritism, collusion, or fraud in awarding of contracts. To legislate that any one entity should be exempt from compliance with both Chapter 103D and 103F, HRS, conveys a sense of disproportionate equality in the law's application.

Exemptions to the Code mean that all procurements made with taxpayer monies will not have the same oversight, accountability and transparency requirements mandated by those procurements processes provided in the code. It means that there is no requirement for due diligence, proper planning, or consideration of protections for the state in contract terms and conditions, nor are there any set requirements to conduct cost and price analysis and market research or post-award contract management. As such, Agencies can choose whether to compete any procurement or go directly to one contractor. As a result, leveraging economies of scale and cost savings efficiencies found in the consistent application of the procurement code are lost. It also means Agencies are not required to adhere to the code's procurement integrity laws.

The National Association of State Procurement Officials states that "Businesses suffer when there is inconsistency in procurement laws and regulations. Complex, arcane procurement rules of numerous jurisdictions discourage competition by raising the costs to businesses to understand and comply with these different rules. Higher costs are recovered through the prices offered by a smaller pool of competitors, resulting in unnecessarily inflated costs to state and local governments."

When public bodies are removed from the Hawaii Public Procurement Code, it results in the harm described above. As these entities create their own procurement rules, businesses are forced to track their various practices. Moreover, a public body often can no longer achieve the benefits of aggregation by using another public body's contract because different state laws and regulations may apply to the various public bodies making compliance more difficult.

Each year new procurement laws are applied to state agencies causing state agency contracts to become more complex and costly, while other public bodies, such as agencies with strong legislative influence, are exempted. Relieving some public bodies from some laws by exempting or excluding them from compliance with a common set of legal requirements creates an imbalance wherein the competitive environment becomes different among the various jurisdictions and the entire procurement process becomes less efficient and costlier for the state and vendors.

Thank you.



1001 Bishop Street | Suite 625 | Honolulu, HI 96813-2830 1-866-295-7282 | Fax: 808-536-2882 aarp.org/hi | <u>aarphi@aarp.org</u> | twitter.com/AARPHawaii facebook.com/AARPHawaii

The State Legislature Senate Committee on Health and Human Services Senate Committee on Housing Tuesday, February 7, 2023 Conference Room 225, 2:15 p.m.

TO: The Honorable Joy San Buenaventura, ChairThe Honorable Stanley Chang, ChairRE: Support for S.B. 898 Relating to Kupuna Housing

Aloha Co-Chairs San Buenaventura and Chang, and Members of the Committees: My name is Keali'i Lopez and I am the State Director for AARP Hawai'i. AARP is a nonpartisan, social impact organization that advocates for individuals age 50 and older. We have a membership of nearly 38 million nationwide and nearly 140,000 in Hawaii. We advocate at the state and federal level for the issues that matter most to older adults and their families.

AARP supports S.B. 898 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.

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. The Habitat for Humanity's 2021 State of Home Affordability in Hawaii reports that 1 in 5 households spend half or more of their income on housing. According to the same report, in total, 53% of renters and 30% of homeowners are cost-burdened, paying more than 30% of their income on housing. According to AARP/Statista analysis of close to 1000 older adults (age 55+) are expected to be evicted in 2023 and more than 1500 older (55+) are expected to experience homelessness in 2023 in Hawaii. It is essential to assist older adults from facing housing crisis and therefore, the proposed S.B. 898 will help many vulnerable kūpuna from being displaced from their residence. Thank you very much for the opportunity to testify in support **S.B. 898**.

Sincerely,



CATHOLIC CHARITIES HAWAI'I

TESTIMONY IN SUPPORT OF SB 898: RELATING TO KUPUNA HOUSING

TO: Senate Committees on Health and Human Services, and Housing
FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawai'i
Hearing: Tuesday, 2/7/23; 2:15 PM; Room 225 & via videoconference

Chair San Buenaventura, Chair Chang, and Members, Committees on Health and Human Services, and Housing:

Thank you for the opportunity to provide testimony **in Strong Support** of **SB 898**, which would temporarily expand the State Rent Supplement Program to target kupuna, sixty-two years of age or older who are homeless, or at imminent risk of becoming homeless. 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 over 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 is gravely concerned about increasing homelessness among the kupuna in our community, mainly due to increasing rents. Many longtime elderly renters are coming to CCH for help since they cannot afford rising rents. Our Housing Assistance Program's waitlist for elders who are homeless or at imminent risk has almost doubled since last year. Many are over 75 years of age. Our biggest challenge is the lack of rentals that our clients can afford on their low incomes. Kupuna are forced to live in cars or on the streets when leases end or rents are raised.

Our kupuna have worked all their lives yet face homelessness when they are unable to work and must live on their low incomes. One sad example of kupuna at risk is an 81 year old woman with limited English. She 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." These sad stories go on and on.

This \$500 rent supplement would be a godsend to keep elders in stable housing before they face homelessness. We support funding for public housing specialist positions at the Hawaii Public Housing Authority in order to help these kupuna as fast as possible. 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 their health.

<u>Please help.</u> Please provide our kupuna with the assistance to pay the ongoing rent. Contact our Legislative Liaison, Betty Lou Larson at (808) 373-0356 or <u>alohabettylou@hotmail.com</u> if you have any questions.







TO:	Honorable Sen. Joy A. San Buenaventura Chair, Senate Committee on Health and Human Services	
	Honorable Sen. Stanley Chang Chair, Senate Committee on Housing	
FROM:	Connie Mitchell, Executive Director IHS, Institute for Human Services, Inc.	
RE:	SB898 – RELATING TO KUPUNA HOUSING	
HEARING:	Tuesday, February 7, 2023 at 2:15 PM	
POSITION :	IHS supports the passing of SB 898	

Each year, more and more of our kupuna are becoming homeless and/or finding themselves in a housing crisis due to increased cost of living, fixed incomes, loss of co-tenants, limited affordable housing options, and family members not being able to care for them.

Last year, 20% of guests served at Institute for Human Services shelters were over the age of 62. These may have been Individuals who have lived in their own house for decades who were facing foreclosure, those on fixed incomes unable to meet increasing rents, some who's health conditions or physical impairments made housing solutions impractical, i.e. recipients who resided in multi-floor walk ups.

By expanding the state rent supplement program to specifically target qualified individuals who are 62 years of age or older, these individuals will have greater access to homeless prevention services, creating a higher chance of sustained housing stability and independence.

Thank you for the opportunity to testify.

IHS is Hawaii's oldest, largest, and most comprehensive human services agency, focused exclusively on ending and preventing homelessness in Hawaii. IHS is a 501(c)(3) charitable non-profit organization.



THE KUPUNA CAUCUS



Feb.5, 2023

TO: COMMITTEE ON HEALTH AND HUMAN SERVICES Senator Joy A. San Buenaventura, Chair Senator Henry J.C. Aquino, Vice Chair

And: COMMITTEE ON HOUSING Senator Stanley Chang, Chair Senator Dru Mamo Kanuha, Vice Chair

CONCERNING: SB898 (Related to Kupuna Housing), SB1152 (Related to Taxation)

POSITION: Strong Support

The Kupuna Caucus strongly supports these two bills because they are uniquely relevant to many of the caucus members and many of our colleagues and residents in our respective districts and precincts. With the skyrocketing rents in Hawaii, and the shortage of really affordable housing in our state, Kupuna, can be the hardest hit.

Kupuna are usually on a fixed income, the value of which steadily decreases as the everyday cost of living increases. Long term residents of a unit can find themselves facing a rent increase they cannot pay, but they also cannot afford to move. A program that would provide the extra money needed to pay the increased rent could make all the difference for people who need that help.

Rewarding landlords who are willing to keep their rental properties really affordable is a simple and logical way to encourage them to continue that practice. It could also encourage them not to raise rents on long term residents who are often seniors, and reward those landlords who already follow that practice.

We hope that when the funds are made available the process for requesting such assistance will be made simple and easily accessible to those who desperately need it.

Martha E Randolph Member of Kupuna Caucus Precinct 2 Rep, District 27 Council DPH Environmental Caucus SCC Representative Member of DPH Legislative Priorities Committee

TESTIMONY OF ELLEN GODBEY CARSON IN SUPPORT OF SB 678

I write in strong support of SB 678, with a request for amendments for properties under \$2 million value.

While I write as an individual, I have served as president of the Hawaii State Bar Association, the Institute for Human Services (IHS) and Hale Kipa Youth Services.

Heaven knows we are in desperate need for a reliable source of substantial revenues to address our affordable housing and homeless services needs. The undependable funding for these needs increases our challenges of planning and developing longer range solutions.

I definately support increasing our conveyance taxes for properties above \$2 million, as those are the owners most able to pay greater taxes, and where we should be trying to dampen the speculative buying that spirals our property values higher and higher. However, this bill proposes a 500% increase on all properties in the lowest tiers of value (under \$2 million). Those are the only properties with any hope of being affordable to most of our families. That doesn't make sense to me. It increases the cost of housing to those who need our help the most.

I also strongly support removing the maximum disposition caps of the conveyance tax allocated to the Rental Housing Revolving Fund and Legacy Land Use Conservation Fund, and the allocation of ten per cent of the conveyance tax for homeless services and supportive housing. Creating and funding the Homeless Services Fund can help address our dire needs for serving those who are homeless.

Thank you for your consideration of my testimony and helping protect the welfare of our residents.

Ellen Godbey Carson Honolulu, Hawaii

<u>SB-898</u> Submitted on: 2/5/2023 1:20:06 PM Testimony for HHS on 2/7/2023 2:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Will Caron	Individual	Support	Written Testimony Only

Comments:

Houselessness is one of the most pressing problems in Hawai'i, which requires a robust, comprehensive, long-term solution to address the state's affordable housing and houselessness crisis. One important component of the solution is ensuring that low-income kupuna are not forced into houselessness through a combination of fixed incomes and rapidly rising rents.

The 2017 Homeless Service Utilization Report found that there are 1,386 houseless elders in the State. Many more elders face houselessness as rents continue to rise. Due to the fixed incomes of elders, a state rent supplement program targeted toward kupuna that expands on the existing state rent supplement program administered by the Hawai'i public housing authority is needed. Please pass SB898.

TESTIMONY OF ELLEN GODBEY CARSON IN SUPPORT OF SB 898

I write in strong support of SB 898.

While I write as an individual, I have served as president of the Institute for Human Services (IHS) and currently serve as a volunteer board member of IHS.

My heart aches seeing kupuna who are homeless on our streets or in our shelters, struggling to exist from day to day with no place to call home. They often have declining medical and mental conditions that warrant special support services, but it's very challenging to serve these individuals when they are exposed to the daily dangers of living on the streets or make-shift quarters. They need safe, stable housing and this bill can help in numerous ways.

Thank you for your consideration of my testimony and helping protect the most vulnerable of our residents.

Ellen Godbey Carson Honolulu, Hawaii February 5, 2023

To:

Committee on Health and Human Services Senator Joy A. San Buenaventura, Chair Senator Henry J. C. Aquino, Vice Chair

And

Committee on Housing Senator Stanley Chang, Chair Senator Dre Mamo Kanuha, Vice Chair

RE: SB 898 Relating to Kupuna Housing

Hearing Date: February 7, 2023 Conference Room 225, 2:15 p.m.

Most Honorable Chairs and Vice-Chairs:

I support this measure to appropriate additional funding to continue the successful rent supplement program currently provided to qualified Kupuna who are close to becoming homeless and to those Kupuna whose fixed income place them at risk of losing the roof over their heads.

With the known success of the current program and the regulated guidelines to be followed by the Public Housing Authority distributing the funds, the additional funds will be wisely used for the ever-expanding Kupuna population in Hawaii.

I ask you to support SB 898 to help maintain the health and housing needs of our Kupuna. Thank you for the opportunity to submit testimony on this bill.

Respectfully submitted, Christine Olah Honolulu Resident

<u>SB-898</u> Submitted on: 2/6/2023 12:11:29 PM Testimony for HHS on 2/7/2023 2:15:00 PM

Submitted By	Organization	Testifier Position	Testify
John A. H. Tomoso	Individual	Support	Written Testimony Only

Comments:

RE: SB898

I am in support of this Bill, which I understand temporarily expands the state rent supplement program, specifically targetting qualified individuals who are sixty-two years of age or older **and** are homeless **or** at imminent risk of becoming homeless. As a Social Worker currently participating in some homeless service programs, I am acutely aware of a number of kupuna, Native Hawaiian and Others, who are houseless. I am very concerned for them.

Mahalo,

John A. H. Tomoso+, MSW

51 Ku'ula Street, Kahului, HI 96732-2906

808-280-1749

john.a.h.tomoso@gmail.com