

Honolulu, Hawaii

FEB 16 2018

RE: S.B. No. 2989
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committees on Housing and Human Services, to which was referred S.B. No. 2989 entitled:

"A BILL FOR AN ACT RELATING TO HOMELESSNESS,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Amend the low-income household renters income tax credit to:
 - (A) Broaden its application to more taxpayers and to increase the amount of the credit for certain qualified taxpayers; and
 - (B) Use the consumer price index to adjust the amount of tax credit that may be claimed by a taxpayer;
- (2) Appropriate funds to the Department of Human Services for the continued administration of the family assessment center for homeless families;
- (3) Appropriate funds to the Hawaii Public Housing Authority for the state rent supplement program to:
 - (A) Assist homeless families with minor children or families with minor children at imminent risk of



homelessness due to domestic violence to obtain permanent housing through a housing homeless children rental assistance pilot program developed by the Hawaii Public Housing Authority; and

- (B) Cover administrative and personnel costs to operate the pilot program; and
- (4) Exempt the adoption of interim rules and procurement of services by federally-certified financial counselors from chapters 91 and 103D, Hawaii Revised Statutes, respectively, by the Hawaii Public Housing Authority.

Your Committees received testimony in support of this measure from the Hawaii Public Housing Authority, Hawaiian Community Assets, League of Women Voters of Hawaii, Hawaii Appleseed Center for Law & Economic Justice, Catholic Charities Hawai'i, PHOCUSED, IMUAlliance, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Institute for Human Services, and two individuals. Your Committees received comments on this measure from the Governor's Coordinator on Homelessness, Department of Human Services, Department of Taxation, State Procurement Office, and Tax Foundation of Hawaii.

Your Committees find that the income tax credit for low-income household renters was established forty years ago to help make up for the high rents and tax rates that burden low-income and moderate-income earners. However, this income tax credit has not been routinely updated to account for inflation. In light of the fact that Hawaii has the highest homeless rate per capita and some of the highest cost burdens of any state in the nation, this measure contributes to a comprehensive strategy to meet the State's affordable housing goals.

Your Committees further find that homelessness is one of the most pressing problems in Hawaii, and a robust, comprehensive solution is needed to increase the pace at which the State is gaining ground on addressing homelessness. For the first time in years, the homelessness rate in Hawaii went down in 2017. Hawaii is turning the tide on the homelessness crisis by investing in proven programs like housing first and rapid rehousing. The network of people and resources engaged in addressing homelessness has begun to make more efficient use of available resources by



implementing a data-driven, collaborative process that matches those experiencing homelessness with the services they need to make more efficient use of available resources. However, Hawaii continues to have the highest per capita rate of homelessness of any state in the United States, with an estimated 7,220 people living on the streets and in shelters. This measure continues to address the State's homeless crisis by providing a multi-faceted approach using proven interventions that are targeted to the particular characteristics of the population being served and that address the root causes of homelessness.

Your Committees note the concerns raised by the State Procurement Office regarding the procurement exemption provided to the Hawaii Public Housing Authority for the procurement of services by federally-certified financial counselors. Your Committees believe that this issue merits further discussion by your Committee on Ways and Means if that Committee schedules this measure for public hearing.

Your Committees have amended this measure by:

- (1) Adopting the language suggested by the Department of Taxation that:
 - (A) Amends the definition of "adjusted gross income" to mean the same as defined by the Internal Revenue Code, rather than section 235-1, Hawaii Revised Statutes; and
 - (B) Amends the index to which the term "consumer price index" refers and changes the reference from the United States Department of Labor to the United States Bureau of Labor Statistics as the consumer price index publishing source under the definition of "consumer price index";
- (2) Clarifying that the monies appropriated for a housing homeless children rental assistance pilot program is a pilot program that is developed by the Hawaii Public Housing Authority; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

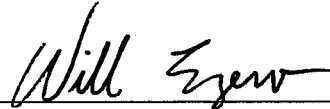


As affirmed by the records of votes of the members of your Committees on Housing and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2989, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2989, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Housing and Human
Services,



JOSH GREEN, Chair

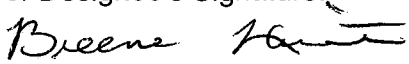


WILL ESPERO, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i


Record of Votes
Committee on Housing
HOU

Bill / Resolution No.:* SB 2989	Committee Referral: HOU/HMS, WAM	Date: 2/15/18		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
ESPERO, Will (C)	✓			
HARIMOTO, Breene (VC)	✓			
GREEN, Josh				✓
KAHELE, Kaiali'i	✓			
NISHIHARA, Clarence K.				✓
TOTAL	3			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Human Services
HMS

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2989	HOU/HMS, WAM	2-14-18		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312				
<input checked="" type="checkbox"/> Pass, with amendments 2311				
<input type="checkbox"/> Hold 2310				
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
GREEN, Josh (C)	✓			
CHANG, Stanley (VC)	✓			
HARIMOTO, Breene				✓
TOKUDA, Jill N.	✓			
WAKAI, Glenn	✓			
TOTAL	4			1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

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