



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 10, 2018

GOV. MSG. NO. 1318

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Twenty-Ninth State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Twenty-Ninth State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on July 10, 2018, the following bill was signed into law:

SB2401 SD2 HD1 CD1

RELATING TO HOMELESSNESS
ACT 209 (18)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

A BILL FOR AN ACT

RELATING TO HOMELESSNESS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 PART I

2 SECTION 1. Ohana is a group of closely- or distantly-
3 related people who share nearly everything, from land and food
4 to responsibility for taking care of children and elders.
5 Members of an ohana, whether or not related by blood, treat each
6 other as extended family and share generously with each other.
7 The legislature finds that building upon this ethic of ohana
8 presents an opportunity to improve the lives of people
9 experiencing homelessness.

10 The legislature also finds that, while significant strides
11 have been made, current attempts to address homelessness in
12 Hawaii remain insufficient. Hawaii continues to have the
13 highest number of individuals experiencing homelessness per
14 capita of any state in the nation. The city and county of
15 Honolulu, which has the highest number of individuals
16 experiencing homelessness of any county in Hawaii, has seen the
17 number of unsheltered individuals experiencing homelessness rise
18 over the past five years and the number of people in shelters



1 decline during the same period despite increased investment in
2 shelters and enforcement.

3 Therefore, the legislature finds that addressing
4 homelessness requires the courage to try something new. Last
5 year, the legislature passed Act 212, Session Laws of Hawaii
6 2017, to create a working group to examine safe zones for people
7 experiencing homelessness as one possible solution to the
8 problem. Some stakeholders have expressed reservations about
9 safe zones and have advised that scarce resources should not be
10 diverted from the development of permanent housing.
11 Unfortunately, the development of permanent housing takes time,
12 and in the meantime, people experiencing homelessness will
13 continue to live unsheltered and without adequate and meaningful
14 access to social services.

15 In response to these concerns, some policymakers have
16 expressed support for ohana zones, which are designed to assist
17 individuals experiencing homelessness find and transition into
18 permanent housing. The legislature finds that ohana zones have
19 the potential to serve individuals experiencing homelessness in
20 a way that existing programs are currently unable. Ohana zones
21 will have the goal of improving the health and well-being of



1 individuals experiencing homelessness and providing access to
2 needed services. The use of the term ohana is not meant to
3 suggest that the use of an ohana zone is limited to nuclear
4 families or people related by blood, but rather that an ohana
5 zone provides a welcoming, safe haven where individuals
6 experiencing homelessness and those who serve them treat each
7 other as an extended family.

8 Because it is unclear what costs and benefits will accrue
9 using the new model of an ohana zone, the legislature finds that
10 these costs and benefits should be carefully studied, and that
11 ohana zones should, at least initially, be temporary.

12 The purpose of this part is to establish a pilot program
13 for the establishment of ohana zones, with the goal of improving
14 the health and well-being of individuals experiencing
15 homelessness and providing individuals experiencing homelessness
16 with needed services.

17 SECTION 2. **Definitions.** For purposes of this part:

18 "Homeless" has the same meaning as defined in section
19 346-361, Hawaii Revised Statutes.

20 "Ohana zone" means a place:



- 1 (1) That has a program to address basic needs of
- 2 individuals experiencing homelessness; and
- 3 (2) Where wrap-around services, social and health care
- 4 services, transportation, and other services may be
- 5 offered with the goals of alleviating poverty and
- 6 transitioning individuals experiencing homelessness
- 7 into affordable housing.

8 SECTION 3. (a) There is established the ohana zones pilot
9 program to provide temporary housing and services to homeless
10 individuals and families based on principles similar to the
11 housing first program.

12 (b) The governor shall designate executive branch agencies
13 to develop and implement the ohana zones pilot program,
14 including an agency with specific expertise in construction
15 development and an agency with specific expertise in
16 administering homeless services. The governor, through the
17 governor's designated agencies, shall determine the number and
18 locations of the ohana zones, which shall be situated on public
19 lands; provided that the designated agencies shall identify at
20 least three sites on Oahu and one site on each of the islands of
21 Hawaii, Kauai, and Maui.



1 (c) The agencies designated pursuant to subsection (b) may
2 coordinate with public or private entities, as appropriate, to
3 develop and implement the ohana zones pilot program; provided
4 that if any public land under the jurisdiction of a state or
5 county agency is determined to be suitable for use as an ohana
6 zone, the designated agencies shall:

7 (1) Work with the appropriate state or county agency that
8 controls the land to transfer the land designated for
9 use as an ohana zone to an agency whose mission is
10 more suited to the management of ohana zones; and

11 (2) Work with the appropriate state or county agency that
12 controls the land and its construction agency to
13 ensure that an ohana zone's infrastructure needs are
14 met and minimize adverse impacts to the environment,
15 including to nearshore resources such as corals, reef
16 fish, and seabirds.

17 (d) The ohana zones pilot program may provide the
18 following facilities and services at each ohana zone site:

19 (1) Secure dwelling spaces that:

20 (A) May be private or communal;



- 1 (B) Have access to toilets, showers, and other
- 2 hygiene facilities; and
- 3 (C) Have access to an area for food storage and meal
- 4 preparation;
- 5 (2) Medical and social support services; and
- 6 (3) Transportation to appointments related to medical care
- 7 or supportive services that are not available onsite.

8 SECTION 4. (a) Contracts entered into by the agencies
9 designated by the governor pursuant to the ohana zones pilot
10 program shall be exempt from the requirements of chapters 103D
11 and 103F, Hawaii Revised Statutes.

12 (b) The agencies designated by the governor shall
13 establish no later than December 31, 2018, the following:

- 14 (1) The criteria that the agencies will use to evaluate
- 15 potential ohana zone locations;
- 16 (2) A monthly timetable of milestones that the agencies
- 17 expect to meet in establishing one or more ohana zones
- 18 over the course of the three-year pilot program;
- 19 (3) The specific, measurable, attainable, reasonable, and
- 20 time-based performance measures that the agencies
- 21 expect to meet at the end of each fiscal year;



1 (4) The evaluation criteria and process that the agencies
2 intend to use each year when reviewing the success and
3 sustainability of the ohana zones; and

4 (5) The monitoring and oversight controls that the
5 agencies will have over the ohana zones to identify,
6 address, and prevent possible fraud, waste, and abuse
7 and ensure compliance with local, state, and federal
8 laws.

9 (c) The governor's coordinator on homelessness shall
10 compile and consolidate information from the agencies designated
11 by the governor to effectuate this part and submit reports to
12 the legislature no later than twenty days prior to the convening
13 of the regular sessions of 2019, 2020, and 2021.

14 (d) The report submitted no later than twenty days prior
15 to the convening of the regular session of 2019 shall include
16 the following information:

17 (1) A summary and explanation of the process that the
18 agencies designated by the governor pursuant to the
19 ohana zones pilot program engaged in to identify
20 possible ohana zone locations; and



1 (2) A summary of the information required under subsection
2 (b).

3 (e) The reports submitted no later than twenty days prior
4 to the convening of the regular sessions of 2020 and 2021 shall
5 include the following information:

6 (1) The milestones established pursuant to subsection (b)
7 that were met by the agencies designated by the
8 governor pursuant to the ohana zones pilot program and
9 ohana zones established during the fiscal year;

10 (2) An evaluation of the ohana zones to determine whether
11 the objectives set have been met or exceeded;

12 (3) Any proposed changes that need to be made to the
13 performance measures used to assess the achievement of
14 program goals; and

15 (4) An assessment of the impact of the ohana zone model on
16 the homelessness problem in Hawaii.

17 (f) The pilot program shall cease to exist on June 30,
18 2021.

19 SECTION 5. There is appropriated out of the general
20 revenues of the State of Hawaii the sum of \$30,000,000 or so
21 much thereof as may be necessary for fiscal year 2018-2019 for



1 the establishment of the ohana zones pilot program and expenses
2 related to facility construction, provision of services,
3 staffing, and administrative costs.

4 The sum appropriated shall be expended by the office of the
5 governor for the purposes of this part; provided that the
6 governor shall transfer the expenditure authority to designated
7 executive branch departments or agencies within a reasonable
8 time.

9 Notwithstanding any other law to the contrary, the governor
10 may transfer all or a portion of the appropriation in this
11 section to the governor's designated executive branch agencies
12 for expenditures incurred to implement the program.

13 The governor's designated executive branch agencies may
14 expend any appropriation transferred pursuant to this section
15 for the performance of its duties under the pilot program.

16 PART II

17 SECTION 6. The legislature finds that there is excessive
18 utilization of hospital emergency department resources by
19 homeless individuals for non-emergency needs. Many of these
20 users are considered super utilizers if they visit the emergency
21 department at least three times per week, are admitted to the



1 hospital at least three times per month, or visit the emergency
2 department at least twelve times per quarter, and suffer from
3 mental health and substance abuse issues. According to 2015
4 data from the Hawaii Health Information Corporation, the billed
5 charges for all homeless health care encounters that occurred in
6 Hawaii hospitals was \$146,000,000. These encounters included
7 repeat visits of, on average, two to three times.

8 The purpose of this part is to:

- 9 (1) Establish and appropriate moneys for the emergency
10 department homelessness assessment pilot program to
11 identify individuals experiencing homelessness with
12 the goal of providing case management to those who
13 require supportive services and to demonstrate
14 effectiveness in mitigating the increasing cost of
15 medical care and unnecessary use of the hospital
16 emergency department visits; and
- 17 (2) Establish and appropriate moneys for the medical
18 respite pilot program to offer medical, nursing,
19 psychiatric, and other care for homeless individuals
20 after being discharged from a hospital.



1 SECTION 7. (a) There is established within the department
2 of human services a pilot program to be known as the emergency
3 department homelessness assessment pilot program. The
4 department of human services, in consultation with the Hawaii
5 interagency council on homelessness and any other appropriate
6 agency, shall serve as the administrator of the pilot program.

7 (b) The pilot program shall consist of multidisciplinary
8 teams composed of but not limited to physicians, advanced
9 practice registered nurses, social workers, and patient
10 navigators who are employed by a participating hospital in the
11 participating hospital's emergency department. The
12 multidisciplinary team shall:

- 13 (1) Identify patients who are experiencing homelessness or
14 patients at risk of experiencing homelessness and have
15 high utilization of emergency department services;
- 16 (2) Assess the patient's current circumstances; and
- 17 (3) Coordinate and refer these patients to appropriate and
18 available wrap-around supports and community resources
19 along the entire continuum of care with a goal of
20 reducing costs associated with chronic use of hospital
21 emergency departments.



1 (c) The department of human services shall work with the
2 participating hospital under the emergency department
3 homelessness assessment pilot program to collect and analyze
4 data to be included in a report that contains a summary and
5 explanation of the data regarding the efficacy of emergency
6 department intervention by the multidisciplinary team in
7 mitigating the number of unnecessary emergency department visits
8 by patients experiencing homelessness or patients at risk of
9 experiencing homelessness. The report shall contain findings
10 and recommendations, including any proposed legislation, for
11 continuation, modification, or termination of the pilot program.
12 The department of human services shall submit the report to the
13 legislature no later than twenty days prior to the convening of
14 the regular session of 2019.

15 (d) The department of human services shall be exempt from
16 chapter 103F, Hawaii Revised Statutes, in implementing this
17 part.

18 (e) The emergency department homelessness assessment pilot
19 program shall cease to exist on June 30, 2019.

20 SECTION 8. There is appropriated out of the general
21 revenues of the State of Hawaii the sum of \$1,000,000 or so much



1 thereof as may be necessary for fiscal year 2018-2019 for the
2 department of human services to establish the emergency
3 department homelessness assessment pilot program; provided that:

4 (1) The department of human services shall reimburse the
5 participating hospital for expenses directly related
6 to the emergency department homelessness assessment
7 pilot program;

8 (2) No funds shall be disbursed to a participating
9 hospital unless matched on a dollar-for-dollar basis
10 by the participating hospital; and

11 (3) All funds designated as matching funds by the
12 participating hospital shall be funds expended by the
13 participating hospital for the pilot program.

14 The sum appropriated shall be expended by the department of
15 human services for the purposes of this part.

16 SECTION 9. (a) There is established within the department
17 of human services a pilot program to be known as the medical
18 respite pilot program. The department of human services, in
19 consultation with the Hawaii interagency council on homelessness
20 and any appropriate agency, shall serve as the administrator of
21 the pilot program.



1 (b) A participating community human services provider, in
2 partnership with a hospital participating in the pilot program,
3 shall provide emergency housing for eligible individuals
4 experiencing homelessness who are discharged from the
5 participating hospital and provide, at minimum, meals, case
6 management, and medical, nursing, and psychiatric care. The
7 medical respite facilities shall comply with the department of
8 health's standards of accessibility, sanitation, and other
9 requirements, as determined by the department of health for
10 facilities of similar use.

11 (c) The department of human services shall submit a report
12 to the legislature of its findings and recommendations,
13 including any proposed legislation, regarding the pilot program
14 no later than twenty days prior to the convening of the regular
15 session of 2019.

16 (d) The department of human services shall be exempt from
17 chapter 103F, Hawaii Revised Statutes, in implementing this
18 part.

19 (e) The medical respite pilot program shall cease to exist
20 on June 30, 2019.



1 SECTION 10. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$1,000,000 or so much
3 thereof as may be necessary for fiscal year 2018-2019 for the
4 department of human services to establish the medical respite
5 pilot program; provided that:

6 (1) The department of human services shall reimburse a
7 participating hospital for expenses directly related
8 to the medical respite pilot program;

9 (2) No funds shall be disbursed to a participating
10 hospital unless matched on a dollar-for-dollar basis
11 by the participating hospital; and

12 (3) All funds designated as matching funds by the
13 participating hospital shall be funds expended by the
14 participating hospital for the pilot program.

15 The sum appropriated shall be expended by the department of
16 human services for the purposes of this part.

17 PART III

18 SECTION 11. There is appropriated out of the general
19 revenues of the State of Hawaii the sum of \$800,000 or so much
20 thereof as may be necessary for fiscal year 2018-2019 for the
21 department of human services to establish and administer a new



1 family assessment center for homeless families that is in
2 addition to any family assessment center for homeless families
3 currently in existence.

4 The sum appropriated shall be expended by the department of
5 human services for the purposes of this part.

6 PART IV

7 SECTION 12. There is appropriated out of the general
8 revenues of the State of Hawaii the sum of \$400,000 or so much
9 thereof as may be necessary for fiscal year 2018-2019 for the
10 department of health to continue administering the law
11 enforcement assisted diversion pilot program; provided that the
12 department of health shall establish one site located on the
13 island of Maui for which the department shall receive \$200,000
14 of the sum appropriated in this section, and one site located on
15 the island of Hawaii for which the department shall receive
16 \$200,000 of the sum appropriated in this section.

17 The sum appropriated shall be expended by the department of
18 health for the purposes of this part.

19 PART V

20 SECTION 13. This Act shall take effect on July 1, 2018.

APPROVED this 10 day of JUL, 2018

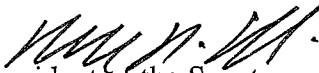



GOVERNOR OF THE STATE OF HAWAII

THE SENATE OF THE STATE OF HAWAI'I

Date: May 1, 2018
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Twenty-ninth Legislature of the State of Hawai'i, Regular Session of 2018.


President of the Senate


Clerk of the Senate

SB No. 2401, SD 2, HD 1, CD 1

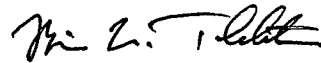
THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 1, 2018
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Twenty-Ninth Legislature of the State of Hawaii, Regular Session of 2018.



Scott K. Saiki
Speaker
House of Representatives



Brian L. Takeshita
Chief Clerk
House of Representatives