PART I

SECTION 1. The legislature finds that homelessness continues to be one of the State's most significant and challenging social problems. For decades, the federal government, State, and counties have adopted measures and implemented programs to combat homelessness. In 1935, the territorial legislature established the Hawaii housing authority to provide safe and sanitary housing for low-income residents of Hawaii. In 1953, construction of the Mayor Wright homes public housing project was completed, making hundreds of units available for low-income families and individuals. Act 105, Session Laws of Hawaii 1970, expanded the duties of the Hawaii housing authority to address the critical shortage of housing for lower- and middle-income residents. In 1987, the governor's office created the state homeless task group to advise the governor and ensure coordination across homeless services. In 2005, the United States Department of Housing and Urban...
Development awarded almost $6,000,000 in grants-in-aid for Hawaii's homeless. These funds were distributed to several agencies and programs, including homeless shelters and drug treatment facilities. At that time, a plan was proposed to create a "tent city" on Oahu’s leeward coast. However, that plan was abandoned due to protests from residents who were concerned that the plan would increase crime rates in the area.

Today, the Hawaii public housing authority administers more than six thousand federal and state low-income public housing units and provides thousands of rental assistance vouchers. Over sixty non-profit shelters and programs provide services to over fourteen thousand unique homeless individuals each year. In addition, hundreds of families at risk of becoming homeless receive financial assistance or housing-related support services to keep them housed.

Despite these and decades of many other government efforts, expenditures of millions of tax dollars, and countless hours of work by government and private sector employees, homelessness in Hawaii continues to rise. In 2011, approximately six thousand two hundred individuals were homeless on any particular day. In 2015, this number increased to seven thousand six hundred
individuals. During the 2013-2014 fiscal year, 14,282 homeless individuals received services through shelter and outreach programs compared to 11,070 individuals during the 2006-2007 fiscal year. Due to these increases, Hawaii now has more homeless individuals, per capita, than any other state. The legislature finds that homelessness is a complex issue that requires continuous resources and coordinated efforts at all levels. Homeless people face many different issues, including mental illness, substance abuse, loss of employment and income, and a lack of affordable housing. Appropriate funding for programs tailored to address these issues is essential.

The purpose of this Act is to provide better assistance to the homeless population by applying a comprehensive approach to resolving homelessness.

PART II

SECTION 2. Chapter 346, Hawaii Revised Statutes, is amended by adding a new section to part XVII to be appropriately designated and to read as follows:

"§346- Homelessness fund. (a) The homelessness fund, hereafter called the "fund", is hereby established.
(b) Any net proceeds or revenue from the operation, management, sale, lease, or other disposition of any homeless facility, shelter, or program established pursuant to this chapter shall be deposited in or credited to the fund.

(c) The appropriate percentage identified under section 247-7 of all taxes imposed and collected under chapter 247 shall be deposited in or credited to the fund every fiscal year.

(d) Moneys from any other private or public source may be deposited in or credited to the fund; provided that mandates, regulations, or conditions on these funds do not conflict with the use of the fund under this chapter. Moneys received as a deposit or private contribution shall be deposited, used, and accounted for in accordance with the conditions established by the agency or person making the contribution.

(e) The fund shall be administered and managed by the department. Moneys in the fund shall be expended for homeless facilities or any other program for the homeless authorized by this part."

SECTION 3. Section 247-2, Hawaii Revised Statutes, is amended to read as follows:
§247-2 Basis and rate of tax. The tax imposed by section 247-1 shall be based on the actual and full consideration (whether cash or otherwise, including any promise, act, forbearance, property interest, value, gain, advantage, benefit, or profit), paid or to be paid for all transfers or conveyance of realty or any interest therein, that shall include any liens or encumbrances thereon at the time of sale, lease, sublease, assignment, transfer, or conveyance, and shall be at the following rates:

(1) Except as provided in paragraph (2):

(A) Fifteen cents per $100 for properties with a value of less than $600,000;

(B) Twenty-five cents per $100 for properties with a value of at least $600,000, but less than $1,000,000;

(C) Thirty-five cents per $100 for properties with a value of at least $1,000,000, but less than $2,000,000;

(D) Fifty-five cents per $100 for properties with a value of at least $2,000,000, but less than $4,000,000;
(E) [Seventy] Seventy-five cents per $100 for properties with a value of at least $4,000,000, but less than $6,000,000;

(F) [Ninety] Ninety-five cents per $100 for properties with a value of at least $6,000,000, but less than $10,000,000; and

(G) One dollar and five cents per $100 for properties with a value of $10,000,000 or greater; and

(2) For the sale of a condominium or single family residence for which the purchaser is ineligible for a county homeowner’s exemption on property tax:

(A) [Fifteen] Twenty cents per $100 for properties with a value of less than $600,000;

(B) [Twenty-five] Thirty cents per $100 for properties with a value of at least $600,000, but less than $1,000,000;

(C) [Forty] Forty-five cents per $100 for properties with a value of at least $1,000,000, but less than $2,000,000;
(D) [Sixty] Sixty-five cents per $100 for properties with a value of at least $2,000,000, but less than $4,000,000;

(E) [Eighty-five] Ninety cents per $100 for properties with a value of at least $4,000,000, but less than $6,000,000;

(F) One dollar and [ten] fifteen cents per $100 for properties with a value of at least $6,000,000, but less than $10,000,000; and

(G) One dollar and [twenty-five] thirty cents per $100 for properties with a value of $10,000,000 or greater,

of [such] actual and full consideration; provided that in the case of a lease or sublease, this chapter shall apply only to a lease or sublease whose full unexpired term is for a period of five years or more, and in those cases, including (where appropriate) those cases where the lease has been extended or amended, the tax in this chapter shall be based on the cash value of the lease rentals discounted to present day value and capitalized at the rate of six per cent, plus the actual and full consideration paid or to be paid for any and all
improvements, if any, that shall include on-site as well as off-site improvements, applicable to the leased premises; and provided further that the tax imposed for each transaction shall be not less than $1."

SECTION 4. Section 247-7, Hawaii Revised Statutes, is amended to read as follows:

"§247-7 Disposition of taxes. All taxes collected under this chapter shall be paid into the state treasury to the credit of the general fund of the State, to be used and expended for the purposes for which the general fund was created and exists by law; provided that of the taxes collected each fiscal year:

(1) [Ten] _____ per cent or $6,800,000, whichever is less, shall be paid into the land conservation fund established pursuant to section 173A-5; and

(2) [Fifty] _____ per cent or $38,000,000, whichever is less, shall be paid into the rental housing revolving fund established by section 201H-202[–]; and

(3) _____ per cent shall be paid into the homelessness fund established pursuant to section 346-__."
PART III

SECTION 5. Chapter 346, Hawaii Revised Statutes, is amended by adding a new section to part XVII to be appropriately designated and to read as follows:

"§346- Community shelter commissions; established; composition. (a) There is established, within each county, a community shelter commission.

(b) Each community shelter commission shall be composed of the following representatives:

(1) The State, to be selected by the governor;

(2) The United States, to be invited by the governor;

(3) The county, to be selected by the mayor or the respective county;

(4) The clergy, to be invited by the governor;

(5) The real estate commission;

(6) Social services, to be invited by the president of the senate; and

(7) Businesses, to be invited by the speaker of the house of representatives.

(c) Each community shelter commission shall have the exclusive authority to select public property within its
respective county to be used for providing homeless facilities, shelters, and programs under this part.

(d) The decision of any community shelter commission to select real property for use in accordance with subsection (c) shall not be subject to amendment by the legislature or county council for five years immediately succeeding the decision.

(e) The department shall establish rules pursuant to chapter 91 to implement the purposes of this section."

PART IV

SECTION 6. Chapter 334, Hawaii Revised Statutes, is amended by adding a new section to part IV to be appropriately designated and to read as follows:

"§334— Civil rights board; established. (a) There is established, within the department, the civil rights board.

(b) The civil rights board shall consist of nine members:

(1) Three to be appointed by the governor;

(2) Three to be appointed by the governor from a list of not less than five nominees submitted to the governor by the senate president; and
Three to be appointed by the governor from a list of not less than five nominees submitted to the governor by the speaker of the house of representatives. The members of the civil rights board shall be subject to section 26-34.  

(c) Each member of the civil rights board shall have a background in homelessness, mental health treatment, substance abuse treatment, human services, or criminal justice.

(d) The civil rights board may request that a law enforcement officer initiate proceedings of an emergency examination and hospitalization pursuant to section 334-59(a).

(e) If a law enforcement officer declines a request made pursuant to subsection (d), and the civil rights board determines that the individual poses a danger to public health or safety, the civil rights board may order a law enforcement officer to address any complaint by taking action that would help to ameliorate the situation or ensure that the individual no longer poses a danger to public health or safety, including relocating the individual or taking the individual into custody.

(f) The department shall establish rules pursuant to chapter 91 to implement the purposes of this section."
PART V

SECTION 7. (a) The Hawaii housing finance and development corporation shall conduct a survey to identify and inventory state-owned and state-managed housing units statewide that are vacant and could be used as affordable rental housing under chapter 201H, Hawaii Revised Statutes, including housing units that could be used as affordable rental housing if renovated or restored.

(b) The Hawaii housing finance and development corporation shall report to the governor and the legislature, no later than twenty days prior to the convening of the regular session of 2021, on the results of the survey conducted under this section, including providing an inventory list that identifies each vacant unit by legal owner, street location, and tax map key number.

PART VI

SECTION 8. The department of human services shall convene a homeless summit before December 1, 2019. The purpose of the summit shall be to gather experts from around the world to share and develop strategies to address homelessness.
SECTION 9. There is appropriated out of the general revenues of the State of Hawaii the sum of $ or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for purposes of convening a homeless summit. The sums appropriated shall be expended by the department of human services for the purposes of this Act.

PART VII

SECTION 10. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

"CHAPTER

STATE COMPREHENSIVE EMPLOYMENT AND TRAINING PROGRAM

PART I. GENERAL PROVISIONS

§ -1 Definitions. As used in this chapter, unless the context clearly requires otherwise:

"Department" means the department of labor and industrial relations.

"Director" means the director of labor and industrial relations.
"Unemployed person" means a person who is without a job and is able, available, and seeking full-time employment.

§ -2 Authority. (a) The director may create and administer a statewide, state-funded, subsidized public service employment program. In carrying out the program, the director shall accord priority to individuals to be hired in the following order:

(1) Unemployed persons who have been unemployed for more than fifteen weeks, including those who have exhausted their unemployment benefits;

(2) All other unemployed persons who are unemployment insurance claimants, including those who have exhausted their unemployment benefits;

(3) All other unemployed persons, whether or not they are unemployment insurance claimants, who are certified by the director as recipients of state public assistance under chapter 346; and

(4) All other unemployed persons, whether or not they are unemployment insurance claimants.
(b) Persons employed in public service jobs under this chapter shall not be paid wages in an amount below the state minimum wage.

(c) Persons under subsection (b) shall not be considered state employees and shall not be subject to the laws relating to state employment benefits, including those regarding hours of work, rates of compensation, leave, unemployment compensation, and state employee benefits.

(d) For purposes of chapter 386, persons under subsection (b) shall be deemed employees of the State within the meaning of the term "employee" as defined in section 386-1, and the provisions of that chapter shall apply.

§ 3 Relationship of program under this part to other state programs. The program under this part shall be a state-funded program. Accordingly, the director shall not be required to conform this program with that of other public service employment programs.

The director, immediately upon enactment of this part, shall implement this part. The director shall coordinate the activities under this part with any other state or county activities relating to public service employment, including but
not limited to programs under chapters 202, 394, and 394B, section 346-71, and part V of chapter 346.

§ 4 Rules. The director shall adopt rules pursuant to chapter 91 necessary for the purposes of this part.

§ 5 Reports. The director shall report annually to the legislature on the progress of implementing this part.

PART II. STATE ASSISTANCE FOR CERTAIN EMPLOYMENT

§ 11 State subsidy for certain employers. Any employer, whether or not operated for profit, who agrees to participate in an employment program to train and permanently hire unemployed persons, shall be entitled to a state subsidy in accordance with this part and any rules adopted thereunder.

§ 12 Nature of subsidy. The subsidy shall be to defray extra costs of providing employment and a program of training and support services. The subsidy may be used for on-the-job training and counseling, job orientation, job-related education, instruction in English as a second language, medical and dental services, transportation expenses, a portion of wages, and other costs related to the employment.

All subsidies shall be made directly to the employer by the director. The amounts of the subsidies shall be determined by
the director in accordance with guidelines adopted by the
director, and all subsidies shall be incorporated into contracts
entered into between the director and the participating
employers.

§ -13 Limitations. No subsidy shall exceed $ for one permanent job position. The maximum subsidy allowed to
any one employer shall be $ or an amount not to exceed
twenty-five per cent of any one employer's workforce, whichever
is the lesser amount, except under exceptional circumstances as
determined by the director. The training subsidy for a given
position shall not exceed twenty weeks.

PART III. STATE LOANS FOR CERTAIN EMPLOYMENT

§ -21 State loans for certain private employers. Any
private employer, whether or not operated for profit, who agrees
to participate in an employment program to train and permanently
hire unemployed persons shall be eligible for a state low-
interest loan for purposes described in this part.

§ -22 Nature of loans. The employer who qualifies shall
be entitled to a loan of not more than $ for each
unemployed person that the employer immediately hires; provided
that the unemployed person shall be employed by the employer
receiving the loan for at least one year or for the term of the
loan, whichever is longer.

The loan shall be for a term not to exceed five years, at
the rate of per cent interest per year, and shall be
payable in equal monthly installments of principal and interest.

The loan shall be for purposes directly related to the
maintenance or expansion of the employer's business activity.

Any provision to the contrary notwithstanding, the director
shall have full authority and discretion to consider, approve,
or disapprove any loan application and impose restrictions on
any loan made pursuant to this part. Under no circumstances
shall any one employer be granted loans exceeding $ ."

SECTION 11. There is appropriated out of the general
revenues of the State of Hawaii the sum of $ or so much
thereof as may be necessary for fiscal year 2019-2020 and the
same sum or so much thereof as may be necessary for fiscal year
2020-2021 to implement section 10 of this Act.

The sums appropriated shall be expended by the department
of labor and industrial relations for the purposes of this Act.
PART VIII

SECTION 12. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 13. This Act shall take effect on July 1, 2019.

INTRODUCED BY:

Calvin K. Amy

JAN 24 2019
Report Title:
DHS; Homelessness; Programs; Appropriations

Description:
Establishes various provisions to address homelessness. Increases the conveyance tax and directs the additional revenues towards homeless facilities and programs administered by the Department of Human Services. Establishes civil rights boards to address civil rights of homeless. Requires a survey of available state property for affordable rental housing. Requires the Department of Humans Services to conduct a homeless summit. Provides job assistance for homeless individuals. Appropriates funds.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.