

JAN 19 2018

A BILL FOR AN ACT

RELATING TO HOMELESSNESS.

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

PART I

1
2 SECTION 1. The legislature finds that homelessness is one
3 of the most pressing problems in Hawai'i, and it requires a
4 robust, comprehensive solution to increase the pace at which the
5 State is gaining ground on addressing homelessness. For the
6 first time in years, the homelessness rate in Hawai'i went down
7 in 2017. Hawai'i is turning the tide on the homelessness crisis
8 by investing in proven programs like housing first and rapid
9 rehousing. The network of people and resources engaged in
10 addressing homelessness has begun to make more efficient use of
11 available resources by implementing a data-driven, collaborative
12 process that matches those experiencing homelessness with the
13 services they need to make more efficient use of available
14 resources. However, Hawai'i continues to have the highest per
15 capita rate of homelessness of any state in the United States,
16 with an estimated 7,220 people living on the streets and in



1 shelters - the State must increase the investment in and
2 commitment to the solution.

3 Addressing homelessness requires a multi-faceted approach
4 using proven interventions that are targeted to the particular
5 characteristics of the population being served and that address
6 the root causes of homelessness. First and foremost, Hawai'i
7 needs more housing that is affordable to low-income families.
8 Hawai'i has the highest housing costs in the nation and the
9 lowest wages after adjusting for cost of living. The greatest
10 need for housing lies at the lowest ends of the income scale -
11 housing that is affordable to residents with incomes at thirty
12 per cent or below of the area median income, such as the housing
13 provided through the state low-income public housing program.

14 The Hawaii public housing authority manages hundreds of
15 units that are vacant due to the need for major repairs. These
16 units could rapidly be brought back into service and assist
17 homeless and extremely low-income families with housing at
18 thirty per cent of their income.

19 In addition to affordable housing, Hawai'i needs to sustain
20 programs that connect people experiencing homelessness with
21 critical services and housing programs such as outreach, rapid



1 rehousing, the state rent supplement program, housing first,
2 Oahu's family assessment center, and law enforcement assisted
3 diversion.

4 Outreach is critically necessary to connect people to all
5 available housing options: emergency shelters, transitional
6 shelters, housing first, rapid rehousing with rent stipends, and
7 treatment. For many chronically homeless mentally ill persons,
8 it can take fifty or more individual outreach contacts, spread
9 out over several months or even years, to build up trust and
10 move individuals and families off the streets. Outreach teams
11 may also conduct wound care, distribute hygiene kits or snacks,
12 and offer to obtain identification documents.

13 Housing first programs are proven to be effective in
14 addressing homelessness for chronically homeless individuals,
15 including those who have an addiction or mental illness, or
16 both. The principles of housing first programs include:

17 (1) Providing robust support services for program
18 participants that are predicated on assertive
19 engagement rather than coercion;



- 1 (2) Providing robust support services for program
- 2 participants that are predicated on assertive
- 3 engagement rather than coercion;
- 4 (3) Granting chronically homeless individuals priority as
- 5 program participants in housing first programs;
- 6 (4) Embracing a harm-reduction approach to addictions
- 7 rather than mandating abstinence while supporting
- 8 program participant commitments to recovery; and
- 9 (5) Providing program participants with leases and tenant
- 10 protections as provided by law.

11 While housing first programs are relatively costly, they
12 are cost-effective. Providing housing and services under the
13 housing first program is less costly than the alternative of
14 incurring costs for emergency services and other services
15 necessary for unhoused persons who are chronically homeless.

16 The rapid rehousing and state rent supplement programs are
17 proven to be effective in securing and maintaining housing for
18 working individuals and families who are homeless. A
19 significant segment of homeless people have a stable source of
20 income and only need modest financial help and some "housing
21 stabilization" services - instead of full-scale subsidies and

1 intensive, ongoing case management. More than a quarter of the
2 State's households fall into homelessness simply because they
3 are short of money to pay for their rent but have no other
4 underlying issues. For these individuals and families, small
5 subsidies allow them to more rapidly secure housing and move out
6 of shelters into permanent housing.

7 Rapid rehousing provides struggling households with a
8 financial shot in the arm - typically a one-time payment to cover
9 delinquent rent, utility payments, or first month's rent and
10 security deposit. This one-time intervention is often all
11 families need to avoid homelessness or to quickly bounce back
12 from becoming homeless.

13 The state rent supplement program provides a sustained
14 subsidy to struggling households. Unlike the housing choice
15 voucher program, also known as the section 8 program, which
16 helps families at the lowest ends of the income scale by
17 bridging a wide affordability gap between income and housing
18 costs through subsidies, the state rent supplement program helps
19 households who are closer to financial self-sufficiency but
20 still have a narrow affordability gap to fill. The state rent
21 supplement program provides a small, time-limited subsidy,



1 warding off homelessness while providing time for families to
2 close the affordability gap and achieve self-sufficiency.
3 Financial case management and counseling are critical to
4 stabilize these families for future sustainability in permanent
5 housing.

6 Because individual subsidies under the rapid rehousing and
7 state rent supplement programs are relatively low, the programs
8 can resolve homelessness for a large number of individuals and
9 families relative to the total cost of the subsidy programs.

10 The family assessment center, which was opened on Oahu in
11 September 2016, has achieved extraordinary results over its
12 first year of operation. Out of fifty-four households served,
13 ninety-one per cent were successfully housed. The assessment
14 center provides comprehensive services to the households it
15 serves including benefits reviews and determinations, health
16 assessments, service coordination, and housing placement. This
17 proven model can be replicated on the neighbor islands as an
18 effective way to move families with children to permanent
19 housing. For example, on Hawai'i island, a large parcel of land
20 has been set aside to develop housing solutions for homelessness



1 in Kona, where the need for localized services is particularly
2 acute.

3 Finally, to adequately address homelessness, Hawai'i needs
4 to disrupt the ineffective, destructive, and expensive revolving
5 cycle of substance abuse addiction that leads to homelessness,
6 arrest, incarceration, release, and back to addiction on the
7 streets. LEAD, or law enforcement assisted diversion, is a pre-
8 booking diversion program that grants police officers the
9 discretionary authority to redirect low-level offenders,
10 typically drug-involved and homeless, to case managers if the
11 offenders are willing.

12 The purpose of this Act is to appropriate funds to the
13 Hawaii public housing authority, department of human services,
14 and department of health to support the State's most effective
15 programs to end homelessness: public housing, outreach, rapid
16 rehousing, housing first, Oahu's family assessment center, the
17 LEAD program, and civil legal services and establish a one-year
18 pilot program to assist families at risk of homelessness to
19 obtain permanent housing.

20 **PART II**



1 SECTION 2. (a) There is established within the Hawaii
2 public housing authority a three-year state rental assistance
3 program. The purpose of this program is to assist families with
4 minors and at imminent risk of homelessness to obtain and
5 maintain permanent housing.

6 (b) The state rental assistance program shall:

7 (1) Assist one hundred homeless families with minor
8 children or those families with minor children at
9 imminent risk of homelessness due to domestic
10 violence;

11 (2) Assist with obtaining or maintaining permanent
12 housing, with time-limited rental assistance up to
13 \$500 per month; and

14 (3) Provide financial case management by a United States
15 Department of Housing and Urban Development certified
16 financial counseling organization.

17 (c) The board of directors of the Hawaii public housing
18 authority shall adopt rules, pursuant to chapter 91, Hawaii
19 Revised Statutes, necessary for the purposes of this section.

20 (d) The board of directors of the Hawaii public housing
21 authority may employ, without regard to chapter 76, Hawaii



1 Revised Statutes, and at pleasure may dismiss persons it finds
2 necessary for the performance of its functions and fix their
3 compensation.

4 SECTION 3. There is appropriated out of the general
5 revenues of the State of Hawaii the sum of \$800,000 or so much
6 thereof as may be necessary for fiscal year 2018-2019 for the
7 Hawaii public housing authority to administer the state rental
8 assistance program and administrative costs to operate the
9 program.

10 SECTION 4. There is appropriated out of the general
11 revenues of the State of Hawaii the sum of \$35,000,000 or so
12 much thereof as may be necessary for fiscal year 2018-2019 for
13 the Hawaii public housing authority to provide public housing
14 improvements and renovations statewide.

15 SECTION 5. The sums appropriated in sections 3 and 4 of
16 this Act shall be expended by the Hawaii public housing
17 authority for the purposes of this part.

18 **PART III**

19 SECTION 6. There is appropriated out of the general
20 revenues of the State of Hawaii the sum of \$3,750,000 or so much
21 thereof as may be necessary for fiscal year 2018-2019 for the



1 department of human services to continue to administer housing
2 first programs for chronically homeless individuals in the
3 State.

4 SECTION 7. There is appropriated out of the general
5 revenues of the State of Hawaii the sum of \$3,750,000 or so much
6 thereof as may be necessary for fiscal year 2018-2019 for the
7 department of human services to continue to administer the rapid
8 rehousing program to assist homeless individuals or families in
9 obtaining or maintain permanent housing and to cover housing
10 stabilization services and administrative costs to operate the
11 program.

12 SECTION 8. There is appropriated out of the general
13 revenues of the State of Hawaii the sum of \$2,200,000 or so much
14 thereof as may be necessary for fiscal year 2018-2019 for the
15 department of human services to continue to administer the
16 outreach services program to homeless persons, including but not
17 limited to individuals and families with children, and
18 unaccompanied homeless youth; provided that \$310,000 of the sum
19 appropriated shall be expended for civil legal services.

20 SECTION 9. There is appropriated out of the general
21 revenues of the State of Hawaii the sum of \$680,000 or so much



1 thereof as may be necessary for fiscal year 2018-2019 for the
2 department of human services to continue to administer the
3 family assessment center on Oahu for homeless families.

4 SECTION 10. The sums appropriated in sections 7 to 9 of
5 this Act shall be expended by the department of human services
6 for the purposes of this part.

7 **PART IV**

8 SECTION 11. There is appropriated out of the general
9 revenues of the State of Hawaii the sum of \$1,000,000 or so much
10 thereof as may be necessary for fiscal year 2018-2019 for the
11 department of health to continue to administer homeless
12 outreach, counseling, and diversion for unsheltered persons
13 experiencing substance abuse; provided that \$250,000 of the sum
14 appropriated shall be expended to continue administering the law
15 enforcement assisted diversion pilot program.

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

18 **PART V**

19 SECTION 12. This Act shall take effect on July 1, 2018;

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S.B. NO. 2401

1 provided that section 2 be repealed on June 30, 2021.

2

INTRODUCED BY: Will Zygo
Breene Hunt
J.L.M.



S.B. NO. 2401

Report Title:

Homelessness; Housing; Rapid Rehousing; State Rental Assistance; Housing First; Law Enforcement Assisted Diversion; Appropriation

Description:

Establishes the state rental assistance program or a pilot program to assist homeless families. Appropriates funds to the department of human services and the department of health to continue to administer programs for individuals or families who require assistance including Rapid Rehousing, Housing First, Law Enforcement Assisted Diversion, and the Family Assessment Center on Oahu, and outreach. Appropriates funds to the Hawaii public housing authority for public housing improvements and renovations statewide and a pilot program to administer the state rental assistance program.

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

