

JAN 25 2023

A BILL FOR AN ACT

RELATING TO SUPPORTIVE HOUSING.

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

1 SECTION 1. The legislature finds that supportive housing
2 is an innovative and proven solution to some of the nation's
3 toughest community problems. It combines affordable housing
4 with access to services to help special needs populations, such
5 as chronic homeless individuals and families, individuals with
6 intellectual, developmental, physical or severe mental
7 disabilities, individuals transitioning from incarceration,
8 emancipated foster youth, individuals with an alcohol or drug
9 addiction, and frail elderly individuals, live more stable and
10 productive lives.

11 According to the Corporation for Supportive Housing, a
12 nonprofit organization that has impacted over two hundred
13 thousand individuals in more than three hundred cities across
14 forty-eight states and the U.S. Virgin Islands, supportive
15 housing generates significant cost savings to public systems.
16 Cost studies in six different states and cities found that
17 supportive housing results in tenants' decreased use of



1 shelters, hospitals, emergency rooms, jails and prisons. One
2 case study found that an eighty-five-unit supportive housing
3 facility in Charlotte, North Carolina, which serves individuals
4 with extensive histories of homelessness and a disabling
5 condition (mental health and substance abuse disorders, chronic
6 health disorders, physical disabilities, and developmental
7 disabilities), effectively ended homelessness for eighty-one per
8 cent of its tenants. This significant housing stability rate is
9 consistent with other permanent supportive housing models across
10 the country. Moreover, there were significant reductions to
11 emergency room visits (eighty-one per cent), hospital stays
12 (sixty-two per cent), ambulance calls (seventy-six per cent),
13 and for tenants involved with the criminal justice system,
14 reductions in arrests (eighty-two per cent) and nights in jail
15 (eighty per cent).

16 Supportive housing also helps build strong, healthy
17 communities by improving the safety of neighborhoods,
18 beautifying city blocks with new or rehabilitated properties,
19 and increasing or stabilizing property values over time.

20 According to studies from Hawaii Pathways Project and the
21 city and county of Honolulu's housing first program, supportive



1 housing has shown similar positive impacts as in other
2 jurisdictions. Supportive housing benefits include:

- 3 (1) For individuals, improved housing retention, health,
4 and quality of life;
- 5 (2) For systems, reduced burdens and costs on already
6 stretched public systems, such as public safety and
7 emergency medical services; and
- 8 (3) For the community, decreased crime rates and increased
9 or no impact on property values.

10 The purpose of this Act is to establish a supportive
11 housing pilot program with the goal of increasing and
12 maintaining supportive housing opportunities for individuals
13 with special needs.

14 SECTION 2. (a) There is established the supportive
15 housing pilot program, within the statewide office on
16 homelessness and housing solutions, to provide and maintain
17 affordable, permanent housing and services for individuals and
18 families with special needs.

19 (b) The statewide office on homelessness and housing
20 solutions shall collaborate with the Hawaii housing finance and
21 development corporation, Hawaii public housing authority, and



1 various state, county, and community agencies to implement the
2 pilot program.

3 (c) The Hawaii housing finance and development corporation
4 shall assist in the development of a rental housing project or
5 projects in which some or all of the units are targeted to
6 special needs individuals or families who require supportive
7 services and with household incomes at or below thirty per cent
8 of area median income. The Hawaii housing finance development
9 corporation may establish rules and qualification criteria for
10 the award of supportive housing projects without regard to
11 chapter 91, Hawaii Revised Statutes.

12 (d) The Hawaii public housing authority shall implement
13 project-based rent supplement payments of approximately \$500 a
14 month, to fill the gap between the flat rents needed to cover
15 project financing, operating, maintenance, or other costs, and
16 an amount that targeted residents can afford; provided that the
17 Hawaii public housing authority may enter into memoranda of
18 agreements with the counties or specialized nonprofit
19 organizations as necessary to implement this subsection. The
20 Hawaii public housing authority shall be exempt from chapter
21 103D, Hawaii Revised Statutes, in selecting a qualified



1 nonprofit organization to administer the rent supplement
2 payments and may, without regard to chapter 91, Hawaii Revised
3 Statutes, establish rules and qualification standards for
4 participants of the supportive housing program.

5 (e) The statewide office on homelessness and housing
6 solutions shall administer supportive services that assist the
7 residents participating in the pilot program to retain housing,
8 improve their health status, and maximize their ability to live
9 and, when possible, work in the community. Support services may
10 include, mental health, substance abuse, counseling, and daily
11 living activities. The supportive services funding of
12 approximately \$800 per month is intended to be matched with
13 federal medicaid funds. The statewide office on homelessness
14 and housing solutions may enter into memoranda of agreement with
15 the counties or specialized nonprofit organizations as necessary
16 to implement this section. The statewide office on homelessness
17 and housing solutions shall be exempt from chapter 103D, Hawaii
18 Revised Statutes, in selecting a qualified nonprofit
19 organization to administer the supportive service payments and
20 may, without regard to chapter 91, Hawaii Revised Statutes,



1 establish rules and qualification standards for participants of
2 the supportive housing program.

3 (f) The statewide office on homelessness and housing
4 solutions shall develop an information system for the
5 standardized collection of client-level data and data on the
6 provision of housing and services to individuals and families in
7 need of or in supportive housing. The information system will
8 assist stakeholders in measuring the need for supportive housing
9 and assessing and improving the effectiveness of the pilot
10 program.

11 (g) The Hawaii housing finance and development
12 corporation, Hawaii public housing authority, and statewide
13 office on homelessness and housing solutions shall submit a joint
14 interim report of its findings and recommendations, including
15 any proposed legislation, regarding the supportive housing pilot
16 program to the legislature by December 1, 2023, and a final
17 report of its findings and recommendations by December 1, 2024.

18 SECTION 3. There is appropriated out of the general
19 revenues of the State of Hawaii the sum of \$50,000,000 or so
20 much thereof as may be necessary for fiscal year 2023-2024 to be



1 deposited into the rental housing revolving fund established in
2 section 201H-202, Hawaii Revised Statutes.

3 SECTION 4. There is appropriated out of the rental housing
4 revolving fund the sum of \$50,000,000 or so much thereof as may
5 be necessary for fiscal year 2023-2024 for:

- 6 (1) Supportive housing projects or supportive housing
7 units in rental projects targeted for special needs
8 individuals and families who require supportive
9 services and with household incomes at or below thirty
10 per cent of the median family income; and
11 (2) One full-time equivalent (1.0 FTE) permanent housing
12 finance specialist I position.

13 The sums appropriated shall be expended by the Hawaii
14 housing finance and development corporation for the purposes of
15 this Act; provided that the appropriation shall not lapse at the
16 end of the fiscal biennium for which the appropriation is made;
17 provided further that any moneys not awarded as of June 30,
18 2025, may be used for other rental housing projects pursuant to
19 paragraph 201H-202(e)(1), Hawaii Revised Statutes; provided
20 further that all moneys from the appropriation that are
21 unencumbered as of June 30, 2026, shall lapse on that date.



1 SECTION 5. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$14,000,000 or so
3 much thereof as may be necessary for fiscal year 2023-2024 for:

4 (1) Contracts, not to exceed twenty years, with new
5 supportive housing rental projects or supportive
6 housing rental units in rental projects for project-
7 based rent supplement payments for the pilot program;
8 and

9 (2) One full-time equivalent (1.0 FTE) permanent housing
10 public housing specialist position.

11 The sum appropriated shall be expended by the Hawaii public
12 housing authority for the purposes of this Act; provided that
13 the appropriation shall not lapse at the end of the fiscal
14 biennium for which the appropriation is made; provided further
15 that all moneys from the appropriation that are unencumbered as
16 of June 30, 2026, shall lapse on that date.

17 SECTION 6. There is appropriated out of the general
18 revenues of the State of Hawaii the sum of \$10,500,000 or so
19 much thereof as may be necessary for fiscal year 2023-2024 for:



1 (1) The provision of support services for qualified
2 individuals and families in new supportive housing;
3 and

4 (2) One full-time equivalent (1.0 FTE) permanent position.

5 The sum appropriated shall be expended by the statewide
6 office on homelessness and housing solutions for the purposes of
7 this Act; provided that the appropriation shall not lapse at the
8 end of the fiscal biennium for which the appropriation is made;
9 provided further that all moneys from the appropriation that are
10 unencumbered as of June 30, 2026, shall lapse on that date.

11 SECTION 7. There is appropriated out of the general
12 revenues of the State of Hawaii the sum of \$500,000 or so much
13 thereof as may be necessary for fiscal year 2023-2024 for the
14 development of a supportive housing information system.

15 The sum appropriated shall be expended by the statewide
16 office on homelessness and housing solutions for the purposes of
17 this Act; provided that the appropriation shall not lapse at the
18 end of the fiscal biennium for which the appropriation is made;
19 provided further that all moneys from the appropriation that are
20 unencumbered as of June 30, 2026, shall lapse on that date.

21 SECTION 8. This Act shall take effect on June 30, 3000.



S.B. NO. 1551

1

INTRODUCED BY: W.M. III.

By Request



S.B. NO. 1551

Report Title:

DHS; Statewide Office on Homelessness and Housing Solutions;
HHFDC; HPHA; Rental Housing Revolving Fund; Appropriations

Description:

Establishes a supportive housing pilot program in the statewide office on homelessness and housing solutions. Appropriates funds and establishes positions.

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

2023-0951 SB HMSO-1

