

1 Development awarded almost \$6,000,000 in grants-in-aid for
2 Hawaii's homeless. These funds were distributed to several
3 agencies and programs, including homeless shelters and drug
4 treatment facilities. At that time, a plan was proposed to
5 create a "tent city" on Oahu's leeward coast. However, that
6 plan was abandoned due to protests from residents who were
7 concerned that the plan would increase crime rates in the area.

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

16 Despite these and decades of many other government efforts,
17 expenditures of millions of tax dollars, and countless hours of
18 work by government and private sector employees, homelessness in
19 Hawaii continues to rise. In 2011, approximately 6,200
20 individuals were homeless on any particular day. In 2015, this
21 number increased to 7,620 individuals, and in 2016, it increased



1 again to 7,921. During the 2013-2014 fiscal year, 14,282
2 homeless individuals received services through shelter and
3 outreach programs compared to 11,070 individuals during the
4 2006-2007 fiscal year. Due to these increases, Hawaii now has
5 more homeless individuals, per capita, than any other state.

6 The legislature finds that homelessness is a complex issue
7 that requires continuous resources and coordinated efforts at
8 all levels. Homeless people face many different issues,
9 including mental illness, substance abuse, loss of employment
10 and income, and a lack of affordable housing. Appropriate
11 funding for programs tailored to address these issues is
12 essential.

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

16 PART II

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

20 "§346- Homelessness fund. (a) The homelessness fund,
21 hereafter called the "fund", is hereby established.



1 (b) Any net proceeds or revenue from the operation,
2 management, sale, lease, or other disposition of any homeless
3 facility, shelter, or program established pursuant to this
4 chapter shall be deposited in or credited to the fund.

5 (c) The appropriate percentage identified under section
6 247-7 of all taxes imposed and collected under chapter 247 shall
7 be deposited in or credited to the fund every fiscal year.

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

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

19 SECTION 3. Section 247-2, Hawaii Revised Statutes, is
20 amended to read as follows:



1 "**§247-2 Basis and rate of tax.** The tax imposed by section
2 247-1 shall be based on the actual and full consideration
3 (whether cash or otherwise, including any promise, act,
4 forbearance, property interest, value, gain, advantage, benefit,
5 or profit), paid or to be paid for all transfers or conveyance
6 of realty or any interest therein, that shall include any liens
7 or encumbrances thereon at the time of sale, lease, sublease,
8 assignment, transfer, or conveyance, and shall be at the
9 following rates:

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

11 (A) [~~Ten~~] Fifteen cents per \$100 for properties with
12 a value of less than \$600,000;

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

16 (C) [~~Thirty~~] Thirty-five cents per \$100 for
17 properties with a value of at least \$1,000,000,
18 but less than \$2,000,000;

19 (D) [~~Fifty~~] Fifty-five cents per \$100 for properties
20 with a value of at least \$2,000,000, but less
21 than \$4,000,000;



- 1 (E) [~~Seventy~~] Seventy-five cents per \$100 for
2 properties with a value of at least \$4,000,000,
3 but less than \$6,000,000;
- 4 (F) [~~Ninety~~] Ninety-five cents per \$100 for
5 properties with a value of at least \$6,000,000,
6 but less than \$10,000,000; and
- 7 (G) One dollar and five cents per \$100 for properties
8 with a value of \$10,000,000 or greater; and
- 9 (2) For the sale of a condominium or single family
10 residence for which the purchaser is ineligible for a
11 county homeowner's exemption on property tax:
- 12 (A) [~~Fifteen~~] Twenty cents per \$100 for properties
13 with a value of less than \$600,000;
- 14 (B) [~~Twenty-five~~] Thirty cents per \$100 for
15 properties with a value of at least \$600,000, but
16 less than \$1,000,000;
- 17 (C) [~~Forty~~] Forty-five cents per \$100 for properties
18 with a value of at least \$1,000,000, but less
19 than \$2,000,000;



- 1 (D) [~~Sixty~~] Sixty-five cents per \$100 for properties
2 with a value of at least \$2,000,000, but less
3 than \$4,000,000;
- 4 (E) [~~Eighty-five~~] Ninety cents per \$100 for
5 properties with a value of at least \$4,000,000,
6 but less than \$6,000,000;
- 7 (F) One dollar and [~~ten~~] fifteen cents per \$100 for
8 properties with a value of at least \$6,000,000,
9 but less than \$10,000,000; and
- 10 (G) One dollar and [~~twenty-five~~] thirty cents per
11 \$100 for properties with a value of \$10,000,000
12 or greater,
- 13 of [~~such~~] actual and full consideration; provided that in the
14 case of a lease or sublease, this chapter shall apply only to a
15 lease or sublease whose full unexpired term is for a period of
16 five years or more, and in those cases, including (where
17 appropriate) those cases where the lease has been extended or
18 amended, the tax in this chapter shall be based on the cash
19 value of the lease rentals discounted to present day value and
20 capitalized at the rate of six per cent, plus the actual and
21 full consideration paid or to be paid for any and all



1 improvements, if any, that shall include on-site as well as off-
2 site improvements, applicable to the leased premises; and
3 provided further that the tax imposed for each transaction shall
4 be not less than \$1."

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

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

12 (1) [~~Ten~~] _____ per cent shall be paid into the land
13 conservation fund established pursuant to section
14 173A-5;

15 (2) Twenty-five per cent from July 1, 2009, until June 30,
16 2012; thirty per cent from July 1, 2012, until
17 June 30, 2014; and [~~fifty~~] _____ per cent in each
18 fiscal year thereafter shall be paid into the rental
19 housing trust fund established by section 201H-202;

20 [and]



1 (3) Twenty per cent from July 1, 2009, until June 30,
2 2012, and [~~twenty-five~~] _____ per cent in each
3 fiscal year thereafter shall be paid into the natural
4 area reserve fund established by section 195-9;
5 provided that the funds paid into the natural area
6 reserve fund shall be annually disbursed by the
7 department of land and natural resources in the
8 following priority:

9 (A) To natural area partnership and forest
10 stewardship programs after joint consultation
11 with the forest stewardship committee and the
12 natural area reserves system commission;

13 (B) Projects undertaken in accordance with watershed
14 management plans pursuant to section 171-58 or
15 watershed management plans negotiated with
16 private landowners, and management of the natural
17 area reserves system pursuant to section 195-3;
18 and

19 (C) The youth conservation corps established under
20 chapter 193[-];



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

4 "§334- Civil rights board; established. (a) There is
5 established, within the department, the civil rights board.

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

7 (1) Three to be appointed by the governor;

8 (2) Three to be appointed by the governor from a list of
9 not less than five nominees submitted to the governor
10 by the senate president; and

11 (3) Three to be appointed by the governor from a list of
12 not less than five nominees submitted to the governor
13 by the speaker of the house of representatives.

14 The members of the civil rights board shall be subject to
15 section 26-34.

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

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



1 2018, on the results of the survey conducted under this section,
2 including providing an inventory list that identifies each
3 vacant unit by legal owner, street location, and tax map key
4 number.

5 PART VI

6 SECTION 8. The department of human services shall conduct
7 a homeless summit before December 1, 2017. The purpose of the
8 summit shall be to gather experts from around the world to share
9 and develop strategies to address homelessness.

10 SECTION 9. There is appropriated out of the general
11 revenues of the State of Hawaii the sum of \$ or so
12 much thereof as may be necessary for fiscal year 2017-2018 for
13 purposes of conducting a homeless summit.

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

16 PART VII

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

20 "CHAPTER

21 STATE COMPREHENSIVE EMPLOYMENT AND TRAINING PROGRAM



1 PART I. GENERAL PROVISIONS

2 § -1 Definitions. As used in this chapter, unless the
3 context clearly requires otherwise:

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

6 "Director" means the director of labor and industrial
7 relations.

8 "Unemployed person" means a person who is without a job and
9 is able, available, and seeking full-time employment.

10 § -2 Authority. (a) The director may create and
11 administer a statewide, state-funded, subsidized public service
12 employment program. In carrying out the program, the director
13 shall accord priority to individuals to be hired in the
14 following order:

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

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



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

5 (4) All other unemployed persons, whether or not they are
6 unemployment insurance claimants.

7 (b) Persons employed in public service jobs under this
8 chapter shall not be paid wages below the state minimum wage.

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

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

18 § -3 Relationship of program under this part to other
19 state programs. The program under this part shall be a state-
20 funded program. Accordingly, the director shall not be required



1 to conform this program with that of other public service
2 employment programs.

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

9 § -4 Rules. The director shall adopt rules pursuant to
10 chapter 91 necessary for the purposes of this chapter.

11 § -5 Reports. The director shall report annually to the
12 legislature on the progress of implementing this chapter.

13 **PART II. STATE ASSISTANCE FOR CERTAIN EMPLOYMENT**

14 § -11 State subsidy for certain employers. Any
15 employer, whether or not operated for profit, who agrees to
16 participate in an employment program to train and permanently
17 hire unemployed persons, shall be entitled to a state subsidy in
18 accordance with this part and any rules adopted thereunder.

19 § -12 Nature of subsidy. The subsidy shall be to defray
20 extra costs of providing employment and a program of training
21 and support services. The subsidy may be used for on-the-job



1 training and counseling, job orientation, job-related education,
2 instruction in English as a second language, medical and dental
3 services, transportation expenses, a portion of wages, and other
4 costs related to the employment.

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

11 § -13 Limitations. No subsidy shall exceed
12 \$ for one permanent job position. The maximum subsidy
13 allowed to any one employer shall be \$ or an amount not
14 to exceed twenty-five per cent of any one employer's workforce,
15 whichever is the lesser amount, except under exceptional
16 circumstances as determined by the director. The training
17 subsidy for a given position shall not exceed twenty weeks.

18 PART III. STATE LOANS FOR CERTAIN EMPLOYMENT

19 § -21 State loans for certain private employers. Any
20 private employer, whether or not operated for profit, who agrees
21 to participate in an employment program to train and permanently



1 hire unemployed persons shall be eligible for a state low-
2 interest loan for purposes described in this part.

3 § -22 Nature of loans. The employer who qualifies shall
4 be entitled to a loan of not more than \$ for each
5 unemployed person that the employer immediately hires; provided
6 that the unemployed person shall be employed by the employer
7 receiving the loan for at least one year or for the term of the
8 loan, whichever is longer.

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

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

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

19 SECTION 11. There is appropriated out of the general
20 revenues of the State of Hawaii the sum of \$ or so
21 much thereof as may be necessary for fiscal year 2017-2018 and



1 the same sum or so much thereof as may be necessary for fiscal
2 year 2018-2019 to implement section 10 of this Act.

3 The sums appropriated shall be expended by the department
4 of labor and industrial relations for the purposes of this part.

5 PART VIII

6 SECTION 12. Notwithstanding any other law to the contrary,
7 including chapter 171, Hawaii Revised Statutes, the office of
8 Hawaiian affairs shall enter into negotiations for and execute a
9 long-term lease with a qualified entity, as determined by the
10 office of Hawaiian affairs, for the real property that contains
11 the Next Step Shelter facility, the facility itself, and other
12 appurtenant or related real property and improvements thereon.

13 SECTION 13. (a) There is established a working group to
14 solicit donations and services and to assist in the regulation
15 of and development of policies relating to the Next Step Shelter
16 facility and its residents. The working group shall be placed
17 within the department of human services for administrative
18 purposes.

19 (b) The working group shall comprise the following:

20 (1) The director of human services, or the director's
21 designee, who shall serve as chair;



- 1 (2) The chairperson of the board of trustees of the office
- 2 of Hawaiian affairs, or the chairperson's designee;
- 3 (3) The executive director of the Hawaii public housing
- 4 authority, or the executive director's designee;
- 5 (4) A representative of Waikiki Health Center; and
- 6 (5) A representative of the residents of the Next Step
- 7 Shelter facility.

8 (c) The director of human services, or the director's

9 designee, shall also invite representatives of appropriate local

10 business owners, trade unions, and apprenticeship training

11 programs of the community colleges to join the working group.

12 (d) The members of the working group shall not be

13 compensated, but shall be reimbursed for necessary expenses

14 incurred during the performance of their duties.

15 (e) The working group shall regularly hold public meetings

16 without regard to chapter 92, Hawaii Revised Statutes.

17 (f) In accordance with its functions pursuant to

18 subsection (a), the working group shall:

- 19 (1) Solicit private donations for the Next Step Shelter
- 20 property and its improvements, including:

- 21 (A) Solar energy systems;



- 1 (B) An air circulation and treatment system; and
- 2 (C) Reconstruction of bathroom facilities;
- 3 (2) Work with trade groups and industry associations to
- 4 conduct outreach and vocational training for qualified
- 5 individuals who are residents of the Next Step
- 6 Shelter;
- 7 (3) Work with Public Broadcasting Service Hawaii and
- 8 relevant public, educational, and governmental access
- 9 facilities to produce a documentary on the conditions
- 10 of the Next Step Shelter and of the residents residing
- 11 in the facility, including residents representing
- 12 families, couples, and individuals; and
- 13 (4) Work with the Hawaii public housing authority to
- 14 identify barriers to participation in the section 8
- 15 housing program for residential property owners and
- 16 examine methods of increasing participation to provide
- 17 residents of the Next Step Shelter with permanent
- 18 housing.
- 19 (g) The working group shall submit a report of its
- 20 progress, findings, and recommendations, including any proposed



1 legislation, to the legislature no later than twenty days prior
2 to the convening of the regular session of 2018.

3 (h) The working group shall dissolve on June 30, 2018.

4 SECTION 14. There is appropriated out of the general
5 revenues of the State of Hawaii the sum of \$ or so much
6 thereof as may be necessary for fiscal year 2017-2018 for the
7 working group established in section 2 of this Act.

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

10 PART IX

11 SECTION 15. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 16. This Act shall take effect on July 1, 2017.
14

INTRODUCED BY:

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APR

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JAN 25 2017



H.B. NO. 1440

Report Title:

Homelessness; Programs; Appropriation

Description:

Establishes various provisions to address homelessness. Increases the conveyance tax and directs the additional revenues towards experimental or demonstration housing projects administered by the HPHA and the HFDC and homeless facilities and programs administered by DHS. Establishes civil rights boards to address civil rights of homeless. Requires a survey of available state property for affordable rental housing. Requires DHS to conduct a homeless summit. Provides job assistance for homeless individuals. Establishes a working group in DHS to seek material and services for the Next Step Shelter. Appropriates moneys.

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

