# A BILL FOR AN ACT

RELATING TO HOMELESSNESS.

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

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#### PART I

2 SECTION 1. The legislature finds that homelessness is (a) 3 one of the most pressing problems in Hawaii and requires a 4 robust, comprehensive solution to increase the pace at which the 5 State is gaining ground on addressing the issue. For the first time in years, the homelessness rate in Hawaii went down in 6 7 2017. Hawaii is turning the tide on the homelessness crisis by 8 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. However, Hawaii continues to have the highest per capita rate of homelessness of any state in the 14 United States, with an estimated 7,220 people living on the 15 16 streets and in shelters. Therefore, the legislature finds that



the State must increase the investment in and 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, Hawaii 7 needs more housing that is affordable to low-income families. 8 Hawaii has the highest housing costs in the nation and the lowest wages after adjusting for the cost of living. The 9 10 greatest need for housing lies at the lowest ends of the income 11 scale. Specifically, the greatest demand is for housing that is 12 affordable to residents with incomes at thirty per cent or less 13 than the area median income, such as the housing provided 14 through the state low-income public housing program.

15 The Hawaii public housing authority manages hundreds of 16 units that are vacant due to the need for major repairs. These 17 units could rapidly be brought back into service and assist 18 homeless and extremely low-income families with housing 19 available for thirty per cent of their income.

In addition to affordable housing, Hawaii needs to sustainprograms that connect people experiencing homelessness with

SB2401 SD2 LRB 18-1756.doc 

### S.B. NO. <sup>2401</sup> S.D. 2

critical services and housing programs, such as outreach, rapid
 rehousing, the state rent supplement program, housing first,
 Oahu's family assessment center, and law enforcement assisted
 diversion.

5 Outreach is critically necessary to connect people to all 6 available housing options: emergency shelters, transitional 7 shelters, housing first, rapid rehousing with rent stipends, and 8 treatment. For many chronically homeless mentally ill persons, 9 it can take fifty or more individual outreach contacts, spread 10 out over several months or even years, to build up the trust 11 needed to move these individuals and families off the streets. 12 Outreach teams may also conduct wound care, distribute hygiene 13 kits or snacks, and offer to obtain identification documents.

Housing first programs are proven to be effective in addressing homelessness for chronically homeless individuals, including those who have an addiction or mental illness, or both. The principles of housing first programs include: (1) Providing robust support services for program participants that are predicated on assertive engagement rather than coercion;

# SB2401 SD2 LRB 18-1756.doc

1 (2)Granting chronically homeless individuals priority as 2 participants in housing first programs; 3 Embracing harm-reduction approaches, in collaboration (3) 4 with prevention and early intervention approaches, 5 which include a spectrum of multiple opportunity strategies from safer use to abstinence, to reduce the 6 7 impact of substance use disorders, thereby providing 8 critical links to deepen the impact to populations at 9 greater risk; and

10 (4) Providing program participants with leases and tenant
11 protections as provided by law.

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

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

SB2401 SD2 LRB 18-1756.doc 

## **S.B. NO.** <sup>2401</sup> S.D. <sup>2</sup>

1 stabilization" services instead of full scale subsidies and 2 intensive, ongoing case management. More than a quarter of the 3 State's households fall into homelessness simply because they 4 are short of money to pay for their rent but have no other 5 underlying issues. For these individuals and families, small 6 subsidies allow them to more rapidly secure housing and move out 7 of shelters into permanent housing.

8 Rapid rehousing provides struggling households with a 9 financial shot in the arm - typically a one-time payment to 10 cover delinquent rent, utility payments, or first month's rent 11 and security deposit. This one-time intervention is often all 12 families need to avoid homelessness or to quickly bounce back 13 from becoming homeless.

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



### S.B. NO. <sup>2401</sup> S.D. 2

supplement program provides a small, time-limited subsidy,
 warding off homelessness while providing time for families to
 close the affordability gap and achieve self-sufficiency.
 Financial case management and counseling are critical to
 stabilize these families for future sustainability in permanent
 housing.

7 Because individual subsidies under the rapid rehousing and 8 state rent supplement programs are relatively low, the programs 9 can resolve homelessness for a large number of individuals and 10 families relative to the total cost of the subsidy programs.

11 The family assessment center, which was opened on Oahu in 12 September 2016, has achieved extraordinary results over its 13 first year of operation. Out of fifty-four households served, 14 ninety-one per cent were successfully housed. The assessment center provides comprehensive services to the households it 15 16 serves, including benefits reviews and determinations, health 17 assessments, service coordination, and housing placement. This 18 proven model can be replicated on the neighbor islands as an effective way to move families with children to permanent 19 housing. For example, on Hawaii island, a large parcel of land 20 has been set aside to develop housing solutions for homelessness 21

SB2401 SD2 LRB 18-1756.doc 

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

3 Finally, to adequately address homelessness, Hawaii 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 prebooking diversion program that grants police officers the 8 9 discretionary authority to redirect low-level offenders, 10 typically drug-involved and homeless, to case managers if the 11 offenders are willing. 12 (b) The purpose of this Act is to: 13 (1) Establish and appropriate funds for a three-year 14 housing homeless children pilot program to assist families with minors, or those families with minors at 15 16 imminent risk of homelessness due to domestic

17 violence, to obtain and maintain permanent housing;18 and

19 (2) Appropriate funds to the Hawaii public housing
20 authority, department of human services, and
21 department of health to support the State's most



## S.B. NO. <sup>2401</sup> S.D. 2

1	effective programs to end homelessness: public
2	housing, housing first, rapid rehousing, outreach
3	services programs to homeless persons, including
4	outreach services to runaway and homeless youth and
5	civil legal services, Oahu's family assessment center,
6	and the LEAD program.
7	PART II
8	SECTION 2. (a) There is established within the Hawaii
9	public housing authority a three-year housing homeless children
10	pilot program. The purpose of this program is to assist
11	families with minors, or those families with minors at imminent
12	risk of homelessness due to domestic violence, to obtain and
13	maintain permanent housing.
14	(b) The housing homeless children pilot program shall:
15	(1) Assist homeless families with minor children or those
16	families with minor children at imminent risk of
17	homelessness due to domestic violence;
18	(2) Assist with obtaining or maintaining permanent
19	housing, including time-limited rental assistance in
20	an amount to be determined by the Hawaii public
21	housing authority; and

SB2401 SD2 LRB 18-1756.doc

### **S.B. NO.** <sup>2401</sup> S.D. <sup>2</sup>

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

4 (c) The board of directors of the Hawaii public housing
5 authority shall adopt rules, pursuant to chapter 91, Hawaii
6 Revised Statutes, necessary for the purposes of this section;
7 provided that the board of directors of the Hawaii public
8 housing authority shall develop interim rules without regard to
9 chapter 91, Hawaii Revised Statutes, for assisting participants
10 in the housing homeless children pilot program.

(d) The board of directors of the Hawaii public housing authority may employ, without regard to chapter 76, Hawaii Revised Statutes, and at pleasure may dismiss, persons it finds necessary for the performance of its functions and fix their compensation.

SECTION 3. 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 2018-2019 for the Hawaii public housing authority to administer the housing homeless children pilot program and administrative costs to operate the program.

SB2401 SD2 LRB 18-1756.doc 

# **S.B. NO.** $^{2401}_{S.D. 2}$

1	SECTION 4. There is appropriated out of the general
2	revenues of the State of Hawaii the sum of \$ or so
3	much thereof as may be necessary for fiscal year 2018-2019 for
4	the Hawaii public housing authority to provide public housing
5	improvements and renovations statewide.
6	SECTION 5. The sums appropriated in sections 3 and 4 of
7	this Act shall be expended by the Hawaii public housing
8	authority for the purposes of this part.
9	PART III
10	SECTION 6. There is appropriated out of the general
11	revenues of the State of Hawaii the sum of \$ or so much
12	thereof as may be necessary for fiscal year 2018-2019 for the
13	department of human services to continue to administer housing
14	first programs for chronically homeless individuals in the
14 15	first programs for chronically homeless individuals in the State.
15	State.
15 16	State. SECTION 7. There is appropriated out of the general
15 16 17	State. SECTION 7. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ or so much
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SB2401 SD2 LRB 18-1756.doc

stabilization services and administrative costs to operate the
 program.

3 SECTION 8. There is appropriated out of the general 4 revenues of the State of Hawaii the sum of \$ or so much 5 thereof as may be necessary for fiscal year 2018-2019 for the 6 department of human services to continue to administer the 7 outreach services program to homeless persons, including but not 8 limited to individuals and families with children, and 9 unaccompanied homeless youth; provided that:

10 (1) \$ of the sum appropriated shall be expended for
11 outreach services to runaway and homeless youth; and
12 (2) \$ of the sum appropriated shall be expended for
13 civil legal services.

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 2018-2019 for the department of human services to continue to administer the family assessment center on Oahu for homeless families.

19 SECTION 10. The sums appropriated in sections 6 through 9
20 of this Act shall be expended by the department of human
21 services for the purposes of this part.



# **S.B. NO.** $^{2401}_{S.D. 2}$

1	PART IV
2	SECTION 11. There is appropriated out of the general
3	revenues of the State of Hawaii the sum of \$ or so much
4	thereof as may be necessary for fiscal year 2018-2019 for the
5	department of health to continue to administer homeless
6	outreach, counseling, and diversion for unsheltered persons
7	experiencing substance abuse, including through professional
8	case managers who employ basic core competencies for substance
9	abuse treatment; provided that \$ of the sum appropriated
10	shall be expended to continue administering the law enforcement
11	assisted diversion pilot program.
12	The sum appropriated shall be expended by the department of
13	health for the purposes of this part.
14	PART V
15	SECTION 12. This Act shall take effect on July 1, 2050;
16	provided that section 2 be repealed on June 30, 2021.



#### Report Title:

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

#### Description:

Establishes and appropriates funds for a three-year housing homeless children pilot program to assist families with minors, or those families with minors at imminent risk of homelessness due to domestic violence, to obtain and maintain permanent housing. Appropriates funds to the Hawaii Public Housing Authority for public housing improvements and renovations statewide. Appropriates funds to the Department of Human Services and Department of Health to support the State's most effective programs to end homelessness: housing first, rapid rehousing, outreach services programs to homeless persons, including outreach services to runaway and homeless youth and civil legal services, Oahu's family assessment center, and the LEAD program. Effective 7/1/2050. (SD2)

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