

Honolulu, Hawaii

**MAR 24 2022**

RE: H.B. No. 2512  
H.D. 2  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sir:

Your Committees on Human Services and Housing, to which was referred H.B. No. 2512, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO OHANA ZONES,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Expand the statutory exemptions granted to the Ohana Zones Pilot Program contracts;
- (2) Extend the sunset date of the Ohana Zones Pilot Program for three years until June 30, 2026; and
- (3) Appropriate funds for the Ohana Zones Pilot Program, for purposes including expenses relating to staffing, facility construction, provision of services, and administrative costs.

Your Committees received testimony in support of this measure from the Kaua'i County Housing Agency, Partners in Care, Hawai'i Appleseed Center for Law & Economic Justice, Catholic Charities Hawai'i, AARP Hawai'i, Planning for Community LLC, and eleven individuals. Your Committees received testimony in opposition to this measure from the Governor's Coordinator on Homelessness, Department of Human Services, and Department of Land and Natural



Resources. Your Committees received comments on this measure from the Department of the Attorney General, Department of Defense - Hawai'i Emergency Management Agency, Department of Budget and Finance, and Hawai'i Association of REALTORS.

Your Committees find that Act 209, Session Laws of Hawaii 2018, established the Ohana Zones Pilot Program to provide temporary housing and services to homeless individuals and families based on principles similar to the Housing-First program. "Ohana Zones" is a place that has a program to address basic needs of individuals experiencing homelessness, and where wrap-around services, social and health care services, transportation, and other services may be offered with the goals of alleviating poverty and transitioning individuals experiencing homelessness into affordable housing.

To meet its goal of improving the health and well-being of individuals experiencing homelessness and providing individuals experiencing homelessness with needed services, the Ohana Zones Pilot Program is authorized to provide at each Ohana Zone Site, secure dwelling spaces, medical and social support services, and transportation to appointments related to medical care or supportive services that are not available onsite. To enable expeditious development of Ohana Zones, existing law exempts contracts entered into pursuant to the Ohana Zones Pilot Program from the requirements of the Hawaii Public Procurement Code, chapter 103D, Hawaii Revised Statutes, and state law that governs purchase of health and human services, pursuant to chapter 103F, Hawaii Revised Statutes.

Your Committees also find that due to the uncertain nature of the Ohana Zones Pilot Program's costs and benefits, the Legislature made the program temporary and imposed a sunset date of June 30, 2021, which was extended in 2019 to June 30, 2023. Your Committees believe that further extension of this sunset date and the expansion of statutory exemptions for the Ohana Zones Pilot Program contracts in this measure are critical for the State to address its rate of homelessness, which continues to stand as one of the highest in the nation.



Where Ohana Zones projects are meant to be temporary shelters into which the homeless on the street are provided shelter, temporary exemption status provided in this measure is needed.

Your Committees note multiple testimonies raising concerns over the breadth of regulatory exemptions granted to the Ohana Zones Pilot Program contracts under this measure; specifically, exemptions from Hawaii Revised Statutes that govern Public Procurement (chapter 103D), Wages and Hours of Employees on Public Works (chapter 104), Management and Disposition of Public Lands (chapter 171), and Social Services (chapter 346), as well as sections in chapter 46, with which compliance is required for the State and counties to participate in the National Flood Insurance Program, and could jeopardize the availability of federal flood insurance policies and federal disaster assistance.

Your Committees understand that some Ohana Zone programs like Oahu's HONU have assessment centers within the program that provide referral and wrap around services. Your Committees believe that the establishment of homeless triage centers, which supplement the assessment centers, is also essential for Hawaii to serve the needs of people experiencing homelessness. "Triage center" for the purpose of this measure means crisis assessment and management. The triage, or more appropriately, Crisis Assessment and Management program is meant to supplement, not supplant existing services.

Accordingly, your Committees have amended this measure by:

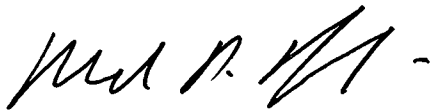
- (1) Amending section 1 by deleting chapters 103D, 104, 171, and 346, Hawaii Revised Statutes, and excluding sections 46-1.5(5)(B), 46-88(c)(5), and 46-88(j), Hawaii Revised Statutes, from the list of statutory exemptions granted to the Ohana Zones Pilot Program contracts;
- (2) Clarifying that no contract entered into pursuant to the Ohana Zones Pilot Program or structures constructed thereunder shall be exempt from county, state, or federal flood plain management development standards, or statutes, codes, ordinances, rules, or regulations with which compliance is required under the National Flood Insurance Program;



- (3) Establishing a five-year Homeless Triage Center Pilot Program administered by the Department of Human Services to operate homeless triage centers that serve as crisis assessment and management centers that provide temporary shelter and referral services for homeless individuals with serious mental illness, chronic medical conditions, or chronic substance abuse;
- (4) Appropriating \$2,500,000 for the establishment, implementation, and administration of the Homeless Triage Center Pilot program, including funding for one full-time equivalent (1.0 FTE) planner or specialist position; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

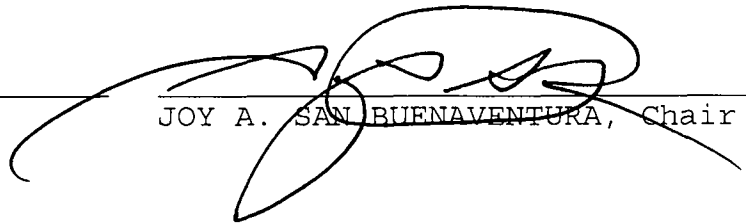
As affirmed by the records of votes of the members of your Committees on Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2512, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2512, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committees on Human Services  
and Housing,



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STANLEY CHANG, Chair



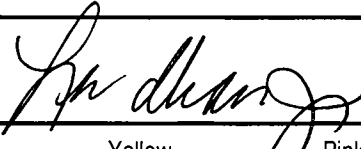
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JOY A. SAN BUENAVENTURA, Chair



The Senate  
 Thirty-First Legislature  
 State of Hawai'i

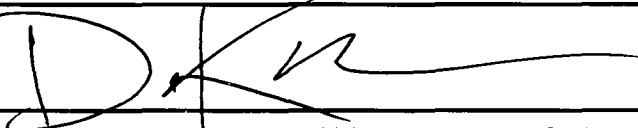
**Record of Votes**  
**Committee on Human Services**  
**HMS**

Bill / Resolution No.:*	Committee Referral:	Date:		
HD 2912 HD2	HMS/HOU, WAM	3/22/2022		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
SAN BUENAVENTURA, Joy A. (C)	✓			
IHARA, Jr., Les (VC)		✓		
ACASIO, Laura		✓		
MISALUCHA, Bennette E.				✓
FEVELLA, Kurt				✓
<b>TOTAL</b>	1	2	0	2
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original                      Yellow                      Pink                      Goldenrod File with Committee Report                      Clerk's Office                      Drafting Agency                      Committee File Copy				

\*Only one measure per Record of Votes

The Senate  
 Thirty-First Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Housing**  
**HOU**

Bill / Resolution No.:* <b>HB 2512, HD2</b>	Committee Referral: <b>HMS/HOU, WAM</b>	Date: <b>3-22-22</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
CHANG, Stanley (C)	✓			
KANUHA, Dru Mamo (VC)	✓			
MORIWAKI, Sharon Y.				✓
RHOADS, Karl		✓		
FEVELLA, Kurt		<del>✓</del> NK		✓
<b>TOTAL</b>	<b>2</b>	<b>1</b>		<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

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