
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 chronically homeless individuals and families, individuals
6 with 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 United States Virgin Islands,
15 supportive housing generates significant cost savings to public
16 systems. Cost studies in six different states and cities found
17 that 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, effectively ended homelessness for eighty-one per
6 cent of its tenants. This significant housing stability rate is
7 consistent with other permanent supportive housing models across
8 the country. Moreover, there were significant reductions to
9 emergency room visits, hospital stays, ambulance calls, and for
10 tenants involved with the criminal justice system, reductions in
11 arrests and nights in jail.

12 Supportive housing also helps build strong, healthy
13 communities by improving the safety of neighborhoods,
14 beautifying city blocks with new or rehabilitated properties,
15 and increasing or stabilizing property values over time.

16 According to studies from Hawaii Pathways Project and the
17 city and county of Honolulu's housing first program, supportive
18 housing has shown similar positive impacts as in other
19 jurisdictions. Supportive housing benefits include:

20 (1) For individuals, improved housing retention, health,
21 and quality of life;



- 1 (2) For systems, reduced burdens and costs on already
2 stretched public systems, such as public safety and
3 emergency medical services; and
- 4 (3) For the community, decreased crime rates and increased
5 or no impact on property values.

6 The purpose of this Act is to establish a supportive
7 housing pilot program with the goal of increasing and
8 maintaining supportive housing opportunities for individuals and
9 families with special needs.

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

15 (b) The statewide office on homelessness and housing
16 solutions shall collaborate with the Hawaii housing finance and
17 development corporation, Hawaii public housing authority, and
18 various state, county, and community agencies to implement the
19 pilot program.

20 (c) The Hawaii housing finance and development corporation
21 shall assist in the development of a rental housing project or



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

8 (d) The Hawaii public housing authority shall implement
9 project-based rent supplement payments of no more than \$500 a
10 month, to project owners for units that are rented to eligible
11 residents participating in the supportive housing pilot program.
12 The project-based rent supplement payments shall be used to
13 assist project owners in maintaining rentals at levels
14 affordable to eligible households with incomes at or below
15 thirty per cent of the area median income by providing owners
16 with project-based rent supplement payments, which, together
17 with rental payments received from eligible tenants, will
18 provide project owners with limited rates of return on their
19 investments in rental housing accommodations. The Hawaii public
20 housing authority may enter into memoranda of agreements with
21 the counties or specialized nonprofit organizations as necessary



1 to implement this subsection. The Hawaii public housing
2 authority shall be exempt from chapter 103D, Hawaii Revised
3 Statutes, in selecting a qualified nonprofit organization to
4 administer the rent supplement payments and may, without regard
5 to chapter 91, Hawaii Revised Statutes, establish rules and
6 qualification standards for participants of the supportive
7 housing program.

8 (e) The statewide office on homelessness and housing
9 solutions shall administer payments for supportive services that
10 assist the residents participating in the pilot program to
11 retain housing, improve their health status, and maximize their
12 ability to live and, when possible, work in the community.
13 Supportive services may include, mental health, substance abuse,
14 counseling, and daily living activities. The supportive
15 services funding of no more than \$800 per month is intended to
16 be matched with federal medicaid funds. The statewide office on
17 homelessness and housing solutions may enter into memoranda of
18 agreement with the counties or specialized nonprofit
19 organizations as necessary to implement this section. The
20 statewide office on homelessness and housing solutions shall be
21 exempt from chapter 103D, Hawaii Revised Statutes, in selecting



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

5 (f) The statewide office on homelessness and housing
6 solutions shall develop an information system for the
7 standardized collection of client-level data and data on the
8 provision of housing and services to individuals and families in
9 need of or in supportive housing. The information system shall
10 be used to measure the need for supportive housing and assess
11 and improve the effectiveness of the pilot program.

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

19 SECTION 3. 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 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 \$ 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 \$ 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 \$ 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 \$ or so
13 much thereof as may be necessary for fiscal year 2023-2024 for
14 the 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.



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

2



H.B. NO. 1397 H.D. 1

Report Title:

DHS; Statewide Office on Homelessness and Housing Solutions;
HHFDC; HPHA; Supportive Housing Pilot Program; Rental Housing
Revolving Fund; Appropriation

Description:

Establishes a supportive housing pilot program in the statewide
office on homelessness and housing solutions. Appropriates
funds and establishes positions. Effective 6/30/3000. (HD1)

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