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# 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 legislature therefore finds that a supportive housing  
7 pilot program will help the State determine the impact of  
8 supportive housing for vulnerable populations and provide urgent  
9 housing in the midst of the State's homelessness crisis and  
10 ongoing housing shortage. Further granting certain State  
11 agencies exemptions from chapter 103D and 103F, Hawaii Revised  
12 Statutes, in selecting qualified nonprofit organizations to  
13 administer components of the pilot program, who have expertise  
14 in delivering specific services with a public purpose, is  
15 advantageous to the State and ensure an efficient use of State  
16 funds.

17 Accordingly, the purpose of this Act is to:

18 (1) Establish a supportive housing pilot program with the  
19 goal of increasing and maintaining supportive housing  
20 opportunities for individuals and families with  
21 special needs; and



1           (2) Appropriate funds for the implementation of the pilot  
2           program, including the establishment of positions.

3           SECTION 2. (a) There is established the supportive  
4 housing pilot program within the statewide office on  
5 homelessness and housing solutions to provide and maintain  
6 affordable, permanent housing and services for individuals and  
7 families with special needs.

8           (b) The statewide office on homelessness and housing  
9 solutions shall collaborate with the Hawaii housing finance and  
10 development corporation, Hawaii public housing authority, and  
11 various state, county, and community agencies to implement the  
12 pilot program.

13           (c) The Hawaii housing finance and development corporation  
14 shall assist in the development of a rental housing project or  
15 projects in which some or all of the units are targeted to  
16 special needs individuals or families who require supportive  
17 services and with household incomes at or below thirty per cent  
18 of the area median income. The Hawaii housing finance and  
19 development corporation may establish rules and qualification  
20 criteria for the award of supportive housing projects without  
21 regard to chapter 91, Hawaii Revised Statutes.



1 (d) The Hawaii public housing authority shall implement  
2 project-based rent supplement payments to assist project owners  
3 in maintaining rentals at levels affordable to eligible  
4 households with incomes at or below thirty per cent of the area  
5 median income, which, together with rental payments received  
6 from eligible tenants, will provide project owners with limited  
7 rates of return on their investments in rental housing  
8 accommodations. The Hawaii public housing authority may enter  
9 into memoranda of agreements with the counties or specialized  
10 nonprofit organizations as necessary to implement this  
11 subsection. The Hawaii public housing authority shall be exempt  
12 from chapter 103D, Hawaii Revised Statutes, in selecting a  
13 qualified nonprofit organization to administer the rent  
14 supplement payments and may, without regard to chapter 91,  
15 Hawaii Revised Statutes, establish rules and qualification  
16 standards for participants of the supportive housing pilot  
17 program.

18 (e) The statewide office on homelessness and housing  
19 solutions shall administer payments for supportive services,  
20 including employment services, that assist the residents  
21 participating in the pilot program to retain housing, improve



1 their health status, and maximize their ability to live and,  
2 when possible, work in the community. Supportive services may  
3 include mental health, substance abuse, counseling, and daily  
4 living activities. The supportive services funding of not more  
5 than \$800 per unit per month is intended to be matched with  
6 federal medicaid funds. The statewide office on homelessness  
7 and housing solutions may enter into memoranda of agreement with  
8 the counties or specialized nonprofit organizations as necessary  
9 to implement this section. The statewide office on homelessness  
10 and housing solutions shall be exempt from chapters 103D and  
11 103F, Hawaii Revised Statutes, in selecting a qualified  
12 nonprofit organization to administer the supportive services  
13 payments and may, without regard to chapter 91, Hawaii Revised  
14 Statutes, establish rules and qualification standards for  
15 participants of the supportive housing pilot program.

16 (f) The statewide office on homelessness and housing  
17 solutions shall develop an information system for the  
18 standardized collection of client-level data and data on the  
19 provision of housing and supportive services to individuals and  
20 families in need of or in supportive housing. The information



1 system shall be used to measure the need for supportive housing  
2 and assess and improve the effectiveness of the pilot program.

3 (g) The Hawaii housing finance and development  
4 corporation, Hawaii public housing authority, and statewide  
5 office on homelessness and housing solutions shall submit a joint  
6 interim report of findings and recommendations, including any  
7 proposed legislation, regarding the supportive housing pilot  
8 program to the legislature by December 1, 2024, and a final  
9 report of findings and recommendations by December 1, 2025.

10 SECTION 3. There is appropriated out of the general  
11 revenues of the State of Hawaii the sum of \$50,000,000 or so  
12 much thereof as may be necessary for fiscal year 2023-2024 to be  
13 deposited into the rental housing revolving fund established in  
14 section 201H-202, Hawaii Revised Statutes.

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

18 (1) Supportive housing projects or supportive housing  
19 units in rental projects targeted for special needs  
20 individuals and families who require supportive



1 services and with household incomes at or below thirty  
2 per cent of the median family income; and

3 (2) The establishment of one full-time equivalent (1.0  
4 FTE) permanent housing finance specialist I position.

5 The sum appropriated shall be expended by the Hawaii housing  
6 finance and development corporation for the purposes of this  
7 Act; provided that the appropriation shall not lapse at the end  
8 of the fiscal biennium for which the appropriation is made;  
9 provided further that any moneys not awarded as of June 30,  
10 2025, may be used for other rental housing projects pursuant to  
11 paragraph 201H-202(e)(1), Hawaii Revised Statutes; provided  
12 further that all moneys from the appropriation that are  
13 unencumbered as of June 30, 2026, shall lapse on that date.

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

17 (1) Contracts, not to exceed twenty years, with new  
18 supportive housing rental projects or supportive  
19 housing rental units in rental projects for project-  
20 based rent supplement payments for the pilot program;  
21 and





1           (2) The establishment of one full-time equivalent (1.0  
2           FTE) permanent housing public housing specialist  
3           position.

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

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

13           (1) The provision of support services for qualified  
14           individuals and families in new supportive housing;  
15           and

16           (2) The establishment of one full-time equivalent (1.0  
17           FTE) permanent position.

18           The sum appropriated shall be expended by the statewide  
19 office on homelessness and housing solutions for the purposes of  
20 this Act; provided that the appropriation shall not lapse at the  
21 end of the fiscal biennium for which the appropriation is made;



1 provided further that all moneys from the appropriation that are  
2 unencumbered as of June 30, 2026, shall lapse on that date.

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

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

13 SECTION 8. This Act shall take effect on July 1, 2050.



**Report Title:**

Department of Human Services; Statewide Office on Homelessness and Housing Solutions; Hawaii Housing Finance and Development Corporation; Hawaii Public Housing Authority; 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 7/1/2050. (SD1)

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

