

Honolulu, Hawaii

APR 28 , 2023

RE: H.B. No. 1397
H.D. 1
S.D. 2
C.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 1397, H.D. 1, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO SUPPORTIVE HOUSING,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to provide supportive housing to certain vulnerable populations impacted by the State's ongoing homelessness crisis and housing shortage.

More specifically, the measure:

- (1) Establishes within the Statewide Office on Homelessness and Housing Solutions a supportive housing pilot program to provide and maintain affordable, permanent housing and services for individuals and families having special needs;



- (2) Requires the Hawaii Housing Finance and Development Corporation to assist in the development of rental housing that is targeted to special needs individuals or families who require supportive services and have household incomes at or below thirty percent of the area median income;
- (3) Requires the Hawaii Public Housing Authority to implement project-based rent supplement payments to assist project owners in maintaining rents at levels affordable to eligible households having incomes at or below thirty per cent of the area median income;
- (4) Requires the Statewide Office on Homelessness and Housing Solutions to administer payments for supportive services that assist residents participating in the pilot program and to develop an information system for the standardized collection of program data;
- (5) Requires interim and final reports to the Legislature; and
- (6) Appropriates funds to the Hawaii Housing Finance and Development Corporation, Hawaii Public Housing Authority, and Statewide Office on Homelessness and Housing Solutions for implementation of the pilot program.

Your Committee on Conference finds that a supportive housing pilot program will help the State determine the impacts of supportive housing for vulnerable populations and provide urgently needed housing during the State's ongoing homelessness crisis and housing shortage.

Your Committee on Conference also finds that the measure's granting to certain state agencies exemptions from Chapters 103D and 103F, Hawaii Revised Statutes (HRS), in selecting qualified nonprofit organizations having expertise in delivering specific services with a public purpose to administer components of the pilot program, is advantageous to the State and ensures an expeditious use of state funds to mitigate this critical problem.

Your Committee on Conference has amended the measure by:

- (1) Adding the requisite information for making an appropriation in excess of the general fund expenditure ceiling pursuant to article VII, section 9, of the Hawaii State Constitution and sections 37-91 and 37-93, HRS;



- (2) Authorizing, rather than requiring, the Hawaii Housing Finance and Development Corporation to assist in the development of rental housing, and deleting language that would have authorized the Corporation to establish rules and qualification criteria for the award of supportive housing projects without regard to the requirements of Chapter 91, HRS;
- (3) Authorizing, rather than requiring, the Hawaii Public Housing Authority to implement project-based rent supplement payments and clarifying that the payments are to assist owners of supportive housing projects;
- (4) Specifying that the first supportive housing project to be developed under the pilot program shall be located in a county having a population of more than five hundred thousand;
- (5) Deleting language that would have deposited general fund moneys into the rental housing revolving fund and appropriated moneys out of the rental housing revolving fund for expenditure by the Hawaii Housing Finance and Development Corporation;
- (6) Replacing the measure's previously unspecified appropriation amounts with specific appropriation amounts, and deleting certain nonlapsing provisions from the appropriation sections;
- (7) Changing the effective date from July 1, 2050, to July 1, 2023;
- (8) Specifying that the pilot program shall be repealed on June 30, 2025; and
- (9) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

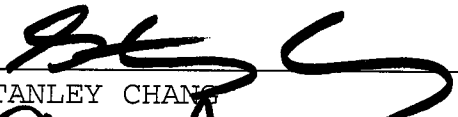
As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1397, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1397, H.D. 1, S.D. 2, C.D. 1.

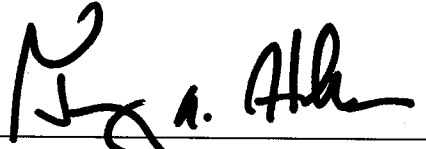


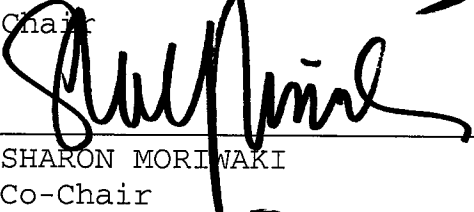
Respectfully submitted on behalf
of the managers:

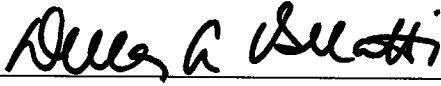
ON THE PART OF THE SENATE

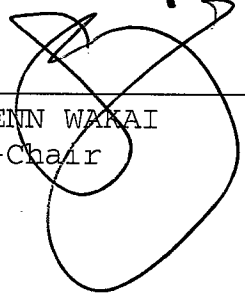
ON THE PART OF THE HOUSE



STANLEY CHANG
Chair


TROY N. HASHIMOTO
Co-Chair


SHARON MORIWAKI
Co-Chair


DELLA AU BELATTI
Co-Chair


GLENN WAKAI
Co-Chair




MICAH AIU
Co-Chair



Hawaii State Legislature

Record of Votes of a
Conference Committee

CCR 144

Bill / Concurrent Resolution No.: HB 1397, HD 1, SD 2					Date/Time: April 28, 2023 / 4:45pm				
<input checked="" type="checkbox"/> The recommendation of the House and Senate managers is to pass with amendments (CD).									
<input type="checkbox"/> The Committee is reconsidering its previous decision.									
<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
CHANG, Stanley, Chr.	✓				HASHIMOTO, Troy N., Co-Chr.	✓			
MORIWAKI, Sharon Y., Co-Chr.	✓				BELATTI, Della Au, Co-Chr.	✓			
WAKAI, Glenn, Co-Chr.	✓				AIU, Micah P.K., Co-Chr.	✓			
					MATSUMOTO, Lauren	✓			
TOTAL	3				TOTAL	4			
A = Aye		WR = Aye with Reservations			N = Nay		E = Excused		
Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted					House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Senate Lead Chair's or Designee's Signature: 					House Lead Chair's or Designee's Signature: 				
Distribution:		Original <i>File with Conference Committee Report</i>	Yellow <i>House Clerk's Office</i>	Pink <i>Senate Clerk's Office</i>			Goldenrod <i>Drafting Agency</i>		