S.B. NO. <sup>2344</sup> S.D. 1

# A BILL FOR AN ACT

RELATING TO HOMELESSNESS.

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

1 SECTION 1. The legislature finds that homelessness is one 2 of the most pressing problems in the State. Hawaii has the 3 highest homelessness rate in the nation, which is driven by 4 insufficient affordable housing. Through improved coordination 5 and investment in proven programs such as housing first, Hawaii 6 is turning the tide on the homelessness crisis. In 2017, the 7 State saw its first reduction in the rate of homelessness in 8 years. However, given the magnitude of homelessness in the 9 State, Hawaii must continue to increase investments in housing 10 and other supports to fully address homelessness.

11 Chronic homelessness is distinct from other forms of 12 homelessness and is defined by being continuously homeless for a 13 year or more, or having had at least four episodes of 14 homelessness in the past three years. The unaddressed problem 15 of chronic homelessness is a particularly costly problem for 16 Hawaii that places a large burden on the State's health care and 17 emergency service systems. Addressing chronic homelessness



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across the State will result in significant cost savings for
 health care and emergency services systems and create a solid
 foundation for addressing other forms of homelessness.

The legislature also finds that, according to the Partners 4 5 in Care 2023 point in time report, there are at least four 6 thousand twenty-eight people experiencing homelessness in Oahu. 7 Permanent supportive housing is the best way to address homelessness. Permanent supportive housing is an approach to 8 homelessness that integrates permanent, affordable rental 9 10 housing with best practice community-based supportive services 11 to allow individuals and households who have serious and longterm disabilities such as mental illnesses, developmental 12 disabilities, physical disabilities, substance use disorders, 13 14 and chronic health conditions to maintain stable housing in the 15 community.

16 An initial investment of \$60,000,000 will cover the 17 development and construction costs of one hundred permanent 18 supportive housing units.

19 The purpose of this Act is to authorize the issuance of 20 general obligation bonds and appropriate bond proceeds to the 21 Hawaii public housing authority to begin the development and



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1 construction with a qualified developer or operator of permanent 2 supportive housing units, or both, to meet the housing needs of 3 individuals in the State, including those individuals who are 4 exiting correctional facilities, those with severe mental 5 illness or developmental disabilities, and those who are 6 stepping down from a higher level of care in institutional 7 settings.

8 SECTION 2. The Hawaii housing finance and development 9 corporation shall consider any applicable competitive federal 10 low-income housing tax credits allowed under section 42 of the 11 Internal Revenue Code of 1986, as amended, that are needed for the construction of permanent supportive housing units developed 12 13 and constructed pursuant to this Act to the Hawaii public 14 housing authority, the developer or operator partnered with the 15 Hawaii public housing authority for the construction of 16 permanent supportive housing units, or both.

SECTION 3. (a) The Hawaii public housing authority shall include the status of the development and operation of permanent supportive housing units authorized under this Act in its annual report to the legislature required pursuant to section 356D-20, Hawaii Revised Statutes.

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(b) The department of land and natural resources shall
 assist the Hawaii public housing authority by providing suitable
 public lands for this Act.

4 (c) The Hawaii public housing authority may partner with
5 other appropriate government and non-government entities to
6 ensure that sufficient and appropriate services are accounted
7 for in the development and operation of permanent supportive
8 housing units.

9 (d) In determining eligibility for the permanent
10 supportive housing units, the Hawaii public housing authority
11 may verify whether an individual or household qualifies as
12 homeless, using the existing process of homeless verification
13 letters provided by recognized homeless services providers.

SECTION 4. The director of finance is authorized to issue 14 general obligation bonds in the sum of \$60,000,000 or so much 15 16 thereof as may be necessary and the same sum or so much thereof as may be necessary is appropriated for fiscal year 2024-2025 17 for the initial phase of development and construction of up to 18 one hundred permanent supportive housing units to meet the 19 20 housing needs of individuals and families in the State, 21 including those who are exiting correctional facilities, those



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with severe mental illness or developmental disabilities, and
 those who are stepping down from a higher level of care in
 institutional settings.

SECTION 5. The appropriation made for the capital
improvement project authorized by this Act shall not lapse at
the end of the fiscal biennium for which the appropriation is
made; provided that all moneys from the appropriation
unencumbered as of June 30, 2026, shall lapse as of that date.
SECTION 6. This Act shall take effect on July 1, 2024.



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#### Report Title:

Permanent Supportive Housing; Low-Income Housing Tax Credit; GO Bonds; HPHA; HHFDC; Appropriation

#### Description:

Authorizes the issuance of general obligation bonds to the Hawaii Public Housing Authority for the development and construction of permanent supportive housing for certain vulnerable individuals. Requires the Hawaii Housing Finance and Development Corporation to consider any available federal lowincome housing tax credits needed for construction of permanent supportive housing units. (SD1)

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

