

---

---

# A BILL FOR AN ACT

RELATING TO THE HOMELESS.

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

1           SECTION 1. Housing first, also known as rapid re-housing,  
2 is a recent innovation in human-service programs meant to assist  
3 homeless individuals. Housing first is an alternative to a  
4 system of emergency shelters and transitional housing  
5 progressions. Rather than moving homeless individuals through  
6 different levels of housing on the way to independent living,  
7 housing first moves homeless individuals immediately to their  
8 own apartments. By creating a stable housing environment, other  
9 issues can be addressed that affect the household including  
10 employment, job training, and health care.

11           Homeless individuals, especially the chronically homeless--  
12 those with disabilities that include addictions and mental  
13 illnesses, are extremely fragile. Chronically homeless  
14 individuals are the least likely of the homeless population to  
15 ever reach independent living.

16           The purpose of this Act is to establish a five-year housing  
17 first pilot program to assist the chronically homeless  
18 population.



1 SECTION 2. Section 247-2, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 "**§247-2 Basis and rate of tax.** The tax imposed by section  
4 247-1 shall be based on the actual and full consideration  
5 (whether cash or otherwise, including any promise, act,  
6 forbearance, property interest, value, gain, advantage, benefit,  
7 or profit), paid or to be paid for all transfers or conveyance  
8 of realty or any interest therein, that shall include any liens  
9 or encumbrances thereon at the time of sale, lease, sublease,  
10 assignment, transfer, or conveyance, and shall be at the  
11 following rates:

12 (1) Except as provided in paragraph (2):

13 (A) [~~Ten~~] 10 cents per \$100 for properties with a  
14 value of less than \$600,000;

15 (B) [~~Twenty~~] 20 cents per \$100 for properties with a  
16 value of at least \$600,000, but less than  
17 \$1,000,000;

18 (C) [~~Thirty~~] 30 cents per \$100 for properties with a  
19 value of at least \$1,000,000, but less than  
20 [~~\$2,000,000,~~] \$1,200,000;

21 (D) 34.5 cents per \$100 for properties with a value  
22 of at least \$1,200,000, but less than \$2,000,000;



- 1            [~~(D)~~ Fifty] (E) 57.5 cents per \$100 for properties  
2                    with a value of at least \$2,000,000, but less  
3                    than \$4,000,000;
- 4            [~~(E)~~ Seventy] (F) 80.5 cents per \$100 for properties  
5                    with a value of at least \$4,000,000, but less  
6                    than \$6,000,000;
- 7            [~~(F)~~ Ninety] (G) \$1 and 3.5 cents per \$100 for  
8                    properties with a value of at least \$6,000,000,  
9                    but less than \$10,000,000; and
- 10            [~~(G)~~ One dollar] (H) \$1 and 15 cents per \$100 for  
11                    properties with a value of \$10,000,000 or  
12                    greater; and
- 13            (2) For the sale of a condominium or single family  
14                    residence for which the purchaser is ineligible for a  
15                    county homeowner's exemption on property tax:
- 16            (A) [~~Fifteen~~] 15 cents per \$100 for properties with a  
17                    value of less than \$600,000;
- 18            (B) [~~Twenty-five~~] 25 cents per \$100 for properties  
19                    with a value of at least \$600,000, but less than  
20                    \$1,000,000;



1 (C) [~~Forty~~] 40 cents per \$100 for properties with a  
2 value of at least \$1,000,000, but less than  
3 [~~\$2,000,000,~~] \$1,200,000;

4 (D) 46 cents per \$100 for properties with a value of  
5 at least \$1,200,000, but less than \$2,000,000;

6 [~~(D) Sixty~~] (E) 69 cents per \$100 for properties with  
7 a value of at least \$2,000,000, but less than  
8 \$4,000,000;

9 [~~(E) Eighty-five~~] (F) 97.75 cents per \$100 for  
10 properties with a value of at least \$4,000,000,  
11 but less than \$6,000,000;

12 [~~(F) One-dollar and ten~~] (G) \$1 and 26.5 cents per  
13 \$100 for properties with a value of at least  
14 \$6,000,000, but less than \$10,000,000; and

15 [~~(G) One-dollar and twenty-five~~] (H) \$1 and 43.75  
16 cents per \$100 for properties with a value of  
17 \$10,000,000 or greater,

18 of such actual and full consideration; provided that in the case  
19 of a lease or sublease, this chapter shall apply only to a lease  
20 or sublease whose full unexpired term is for a period of five  
21 years or more, and in those cases, including (where appropriate)  
22 those cases where the lease has been extended or amended, the



1 tax in this chapter shall be based on the cash value of the  
 2 lease rentals discounted to present day value and capitalized at  
 3 the rate of six per cent, plus the actual and full consideration  
 4 paid or to be paid for any and all improvements, if any, that  
 5 shall include on-site as well as off-site improvements,  
 6 applicable to the leased premises; and provided further that the  
 7 tax imposed for each transaction shall be not less than \$1."

8 SECTION 3. Section 247-7, Hawaii Revised Statutes, is  
 9 amended to read as follows:

10 "**§247-7 Disposition of taxes.** All taxes collected under  
 11 this chapter shall be paid into the state treasury to the credit  
 12 of the general fund of the State, to be used and expended for  
 13 the purposes for which the general fund was created and exists  
 14 by law; provided that ten per cent of all taxes collected under  
 15 section 247-2(1)(D) to (H) and (2)(D) to (H) shall be deposited  
 16 into the parks for homeless special fund under section 46- ;  
 17 and provided further that of the remaining taxes collected each  
 18 fiscal year:

19 (1) Ten per cent shall be paid into the land conservation  
 20 fund established pursuant to section 173A-5;

21 (2) Twenty-five per cent from July 1, 2009, until June 30,  
 22 2012, and thirty per cent in each fiscal year



1 thereafter shall be paid into the rental housing trust  
2 fund established by section 201H-202; and

3 (3) Twenty per cent from July 1, 2009, until June 30,  
4 2012, and twenty-five per cent in each fiscal year  
5 thereafter shall be paid into the natural area reserve  
6 fund established by section 195-9; provided that the  
7 funds paid into the natural area reserve fund shall be  
8 annually disbursed by the department of land and  
9 natural resources in the following priority:

10 (A) To natural area partnership and forest  
11 stewardship programs after joint consultation  
12 with the forest stewardship committee and the  
13 natural area reserves system commission;

14 (B) Projects undertaken in accordance with watershed  
15 management plans pursuant to section 171-58 or  
16 watershed management plans negotiated with  
17 private landowners, and management of the natural  
18 area reserves system pursuant to section 195-3;  
19 and

20 (C) The youth conservation corps established under  
21 chapter 193."



1 SECTION 4. Chapter 46, Hawaii Revised Statutes, is amended  
2 by adding a new section to be appropriately designated and to  
3 read as follows:

4 "§46- Parks for homeless special fund. (a) There is  
5 established in the state treasury the parks for homeless special  
6 fund, into which shall be deposited the designated portion of  
7 the conveyance tax under section 247-7.

8 Each county shall be required to provide matching funds,  
9 which shall be deposited into the parks for homeless special  
10 fund.

11 (b) Moneys in the parks for homeless special fund shall be  
12 administered by the finance department of any county that  
13 receives funds under this section and shall be used to provide  
14 programs to support the homeless."

15 SECTION 5. (a) The Hawaii public housing authority, in  
16 collaboration with the department of human services, shall  
17 develop a housing first pilot program. The Hawaii public  
18 housing authority, in collaboration with the department of human  
19 services, shall consult with the United States Department of  
20 Housing and Urban Development and community housing and homeless  
21 groups to develop the housing first pilot program.



1 (b) The housing first pilot program shall be developed  
2 according to the following established principles of housing  
3 first:

- 4 (1) Moving chronically homeless individuals into housing  
5 directly from streets and shelters, without a  
6 precondition of accepting or complying with treatment;
- 7 (2) Providing robust support services for program  
8 participants, predicated on assertive engagement  
9 instead of coercion;
- 10 (3) Continued tenancy shall not be dependent on  
11 participation in treatment services;
- 12 (4) Granting chronically homeless individuals priority as  
13 program participants in the pilot program;
- 14 (5) Embracing a harm-reduction approach to addictions,  
15 rather than mandating abstinence, while supporting  
16 program-participant commitments to recovery; and
- 17 (6) Providing program participants with leases and tenant  
18 protections as provided by law.

19 The Hawaii public housing authority, in collaboration with  
20 the department of human services, may contract with housing  
21 first consultants to effectuate the purpose of this Act.





1 (b) The housing first pilot program shall incorporate the  
2 following:

3 (1) Identification of target populations, specifically  
4 chronically homeless individuals;

5 (2) Developing assessments for the chronically homeless  
6 population;

7 (3) Developing service components of the housing first  
8 pilot program, including:

9 (A) Financial assistance;

10 (B) In-home case management services;

11 (C) Affordable-housing requirements;

12 (D) Landlord cultivation;

13 (E) Housing-placement requirements; and

14 (F) Support services to move program participants  
15 toward self-sufficiency.

16 (c) The housing first pilot program shall establish a goal  
17 of having at least fifty participants.

18 (d) As used in this Act, "chronically homeless individual"  
19 means a homeless individual who has an addiction, mental  
20 illness, or both an addiction and mental illness.

21 SECTION 6. The Hawaii public housing authority, in  
22 collaboration with the department of human services, shall



1 submit an interim report to the legislature on the progress of  
2 the housing first pilot program no later than twenty days prior  
3 to the convening of each regular session, beginning with the  
4 regular session of 2011. The Hawaii public housing authority,  
5 in collaboration with the department of human services, shall  
6 submit a final report to the legislature, including:

- 7 (1) The total number of participants in the housing first  
8 pilot program;
- 9 (2) The annual costs of the program;
- 10 (3) The types of support services offered;
- 11 (4) The number of participants, including information  
12 regarding the duration of services required for each  
13 individual; and
- 14 (5) Recommendations for the continuation of the project;  
15 no later than twenty days prior to the convening of the regular  
16 session of 2016.

17 SECTION 7. There is appropriated out of the parks for  
18 homeless special fund the sum of \$            or so much thereof as  
19 may be necessary for fiscal year 2010-2011 for the housing first  
20 pilot program.

21 The sum appropriated shall be expended by the Hawaii public  
22 housing authority for the purposes of this Act.



1 SECTION 8. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3 SECTION 9. This Act shall take effect on July 1, 2010, and  
4 shall be repealed on June 30, 2016.



**Report Title:**

Housing First Pilot Program; Conveyance Tax; Appropriation

**Description:**

Establishes a 5-year housing first pilot program developed by the Hawaii Public Housing Authority, in collaboration with the Department of Human Services, to assist chronically homeless individuals. Increases the conveyance tax by fifteen percent on homes valued at \$1,200,000 and over to fund the parks for homeless special fund. (HB2318 HD1).

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

