
A BILL FOR AN ACT

RELATING TO HOMELESSNESS.

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

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PART I

SECTION 1. The legislature finds that homelessness continues to be one of the State's most significant and challenging social problems. For decades, the federal government, State, and counties have adopted measures and implemented programs to combat homelessness. In 1935, the Territorial Legislature established the Hawaii Housing Authority to provide safe and sanitary housing for low-income residents of Hawaii. In 1953, construction of the Mayor Wright homes public housing project was completed, making hundreds of units available for low-income families and individuals. Act 105, Session Laws of Hawaii 1970, expanded the duties of the Hawaii Housing Authority to address the critical shortage of housing for lower- and middle-income residents. In 1987, the governor's office created the state homeless task group to advise the governor and ensure coordination across homeless services. In 2005, the United States Department of Housing and Urban



1 Development awarded almost \$6,000,000 in grants-in-aid for
2 Hawaii's homeless. These funds were distributed to several
3 agencies and programs, including homeless shelters and drug
4 treatment facilities. At that time, a plan was proposed to
5 create a "tent city" on Oahu's leeward coast. However, that
6 plan was abandoned due to protests from residents who were
7 concerned that the plan would increase crime rates in the area.

8 Today, the Hawaii public housing authority administers more
9 than six thousand federal and state low-income public housing
10 units and provides thousands of rental assistance vouchers.
11 Over sixty non-profit shelters and programs provide services to
12 over fourteen thousand unique homeless individuals each year.
13 In addition, hundreds of families at risk of becoming homeless
14 receive financial assistance or housing-related support services
15 to keep them housed.

16 Despite these and decades of many other government efforts,
17 expenditures of millions of tax dollars, and countless hours of
18 work by government and private sector employees, homelessness in
19 Hawaii continues to rise. In 2011, approximately 6,200
20 individuals were homeless on any particular day. In 2015, this
21 number increased to 7,600 individuals. During the 2013-2014



1 fiscal year, 14,282 homeless individuals received services
2 through shelter and outreach programs compared to 11,070
3 individuals during the 2006-2007 fiscal year. Due to these
4 increases, Hawaii now has more homeless individuals, per capita,
5 than any other state.

6 The legislature finds that homelessness is a complex issue
7 that requires continuous resources and coordinated efforts at
8 all levels. Homeless people face many different issues,
9 including mental illness, substance abuse, loss of employment
10 and income, and a lack of affordable housing. Appropriate
11 funding for programs tailored to address these issues is
12 essential.

13 The purpose of this Act is to provide better assistance to
14 the homeless population by applying a comprehensive approach to
15 resolving homelessness.

16 PART II

17 SECTION 2. Chapter 346, Hawaii Revised Statutes, is
18 amended by adding a new section to part XVII to be appropriately
19 designated and to read as follows:

20 "§346- Homelessness fund. (a) The homelessness fund,
21 hereafter called the "fund", is hereby established.



1 (b) Any net proceeds or revenue from the operation,
2 management, sale, lease, or other disposition of any homeless
3 facility, shelter, or program established pursuant to this
4 chapter shall be deposited in or credited to the fund.

5 (c) The appropriate percentage identified under section
6 247-7 of all taxes imposed and collected under chapter 247 shall
7 be deposited in or credited to the fund every fiscal year.

8 (d) Moneys from any other private or public source may be
9 deposited in or credited to the fund; provided that mandates,
10 regulations, or conditions on these funds do not conflict with
11 the use of the fund under this chapter. Moneys received as a
12 deposit or private contribution shall be deposited, used, and
13 accounted for in accordance with the conditions established by
14 the agency or person making the contribution.

15 (e) The fund shall be administered and managed by the
16 department. Moneys in the fund shall be expended for homeless
17 facilities or any other program for the homeless authorized by
18 this part."

19 SECTION 3. Section 247-2, Hawaii Revised Statutes, is
20 amended to read as follows:



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

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

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

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

16 (C) [~~Thirty~~] Thirty-five cents per \$100 for
17 properties with a value of at least \$1,000,000,
18 but less than \$2,000,000;

19 (D) [~~Fifty~~] Fifty-five cents per \$100 for properties
20 with a value of at least \$2,000,000, but less
21 than \$4,000,000;



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



- 1 (D) [~~Sixty~~] Sixty-five cents per \$100 for properties
2 with a value of at least \$2,000,000, but less
3 than \$4,000,000;
- 4 (E) [~~Eighty-five~~] Ninety cents per \$100 for
5 properties with a value of at least \$4,000,000,
6 but less than \$6,000,000;
- 7 (F) One dollar and [~~ten~~] fifteen 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 and [~~twenty-five~~] thirty cents per
11 \$100 for properties with a value of \$10,000,000
12 or greater,
- 13 of [~~such~~] actual and full consideration; provided that in the
14 case of a lease or sublease, this chapter shall apply only to a
15 lease or sublease whose full unexpired term is for a period of
16 five years or more, and in those cases, including (where
17 appropriate) those cases where the lease has been extended or
18 amended, the tax in this chapter shall be based on the cash
19 value of the lease rentals discounted to present day value and
20 capitalized at the rate of six per cent, plus the actual and
21 full consideration paid or to be paid for any and all



1 improvements, if any, that shall include on-site as well as off-
2 site improvements, applicable to the leased premises; and
3 provided further that the tax imposed for each transaction shall
4 be not less than \$1."

5 SECTION 4. Section 247-7, Hawaii Revised Statutes, is
6 amended to read as follows:

7 "§247-7 **Disposition of taxes.** All taxes collected under
8 this chapter shall be paid into the state treasury to the credit
9 of the general fund of the State, to be used and expended for
10 the purposes for which the general fund was created and exists
11 by law; provided that of the taxes collected each fiscal year:

12 (1) [~~Ten~~] _____ per cent shall be paid into the land
13 conservation fund established pursuant to section
14 173A-5;

15 (2) Twenty-five per cent from July 1, 2009, until June 30,
16 2012; thirty per cent from July 1, 2012, until
17 June 30, 2014; and [~~fifty~~] _____ per cent in each
18 fiscal year thereafter shall be paid into the rental
19 housing trust fund established by section 201H-202;
20 [~~and~~]



1 (3) Twenty per cent from July 1, 2009, until June 30,
2 2012, and [~~twenty-five~~] _____ per cent in each
3 fiscal year thereafter shall be paid into the natural
4 area reserve fund established by section 195-9;
5 provided that the funds paid into the natural area
6 reserve fund shall be annually disbursed by the
7 department of land and natural resources in the
8 following priority:

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

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

19 (C) The youth conservation corps established under
20 chapter 193 [-]; and



1 (4) per cent shall be paid into the homelessness
2 fund established pursuant to section 346- ."

3 PART III

4 SECTION 5. Chapter 346, Hawaii Revised Statutes, is
5 amended by adding a new section to part XVII to be appropriately
6 designated and to read as follows:

7 "§346- Community shelter commissions; established;
8 composition. (a) There is established, within each county, a
9 community shelter commission.

10 (b) Each community shelter commission shall be composed of
11 the following representatives:

- 12 (1) The State, to be selected by the governor;
- 13 (2) The United States, to be invited by the governor;
- 14 (3) The county, to be selected by the mayor of the
15 respective county;
- 16 (4) The clergy, to be invited by the governor;
- 17 (5) The real estate commission;
- 18 (6) Social services, to be invited by the president of the
19 senate; and
- 20 (7) Businesses, to be invited by the speaker of the house
21 of representatives.



1 (c) Each community shelter commission shall have the
 2 exclusive authority to select public property within its
 3 respective county to be used for providing homeless facilities,
 4 shelters, and programs under this part.

5 (d) The decision of any community shelter commission to
 6 select real property for use in accordance with subsection (c)
 7 shall not be subject to amendment by the legislature or county
 8 council for five years immediately succeeding the decision.

9 (e) The department shall establish rules pursuant to
 10 chapter 91 to implement the purposes of this section."

PART IV

12 SECTION 6. Chapter 334, Hawaii Revised Statutes, is
 13 amended by adding a new section to be appropriately designated
 14 and to read as follows:

15 "§334- Civil rights board; established. (a) There is
 16 established, within the department, the civil rights board.

17 (b) The civil rights board shall consist of nine members:

18 (1) Three to be appointed by the governor;

19 (2) Three to be appointed by the governor from a list of
 20 not less than five nominees submitted to the governor

21 by the senate president; and



1 (3) Three to be appointed by the governor from a list of
2 not less than five nominees submitted to the governor
3 by the speaker of the house of representatives.

4 The members of the civil rights board shall be subject to
5 section 26-34.

6 (c) Each member of the civil rights board shall have a
7 background in homelessness, mental health treatment, substance
8 abuse treatment, human services, or criminal justice.

9 (d) The civil rights board may request that a law
10 enforcement officer initiate proceedings of an emergency
11 examination and hospitalization pursuant to section 334-59(a).

12 (e) If a law enforcement officer declines a request made
13 pursuant to subsection (d), and the civil rights board
14 determines that the individual poses a danger to public health
15 or safety, the civil rights board may order a law enforcement
16 officer to address any complaint by taking action that would
17 help to ameliorate the situation or ensure that the individual
18 no longer poses a danger to public health or safety, including
19 relocating the individual or taking the individual into custody.

20 (f) The department shall establish rules pursuant to
21 chapter 91 to implement the purposes of this section."



1 PART V

2 SECTION 7. (a) The Hawaii housing finance and development
3 corporation shall conduct a survey to identify and inventory
4 state-owned and state-managed housing units statewide that are
5 vacant and could be used as affordable rental housing under
6 chapter 201H, Hawaii Revised Statutes, including housing units
7 that could be used as affordable rental housing if renovated or
8 restored.

9 (b) The Hawaii housing finance and development corporation
10 shall report to the governor and the legislature, no later than
11 twenty days prior to the convening of the regular session of
12 2017, on the results of the survey conducted under this section,
13 including providing an inventory list that identifies each
14 vacant unit by legal owner, street location, and tax map key
15 number.

16 PART VI

17 SECTION 8. The department of human services shall conduct
18 a homeless summit before December 1, 2016. The purpose of the
19 summit shall be to gather experts from around the world to share
20 and develop strategies to address homelessness.



1 SECTION 9. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$ or so much
3 thereof as may be necessary for fiscal year 2016-2017 for
4 purposes of conducting a homeless summit.

5 The sum appropriated shall be expended by the department of
6 human services for the purposes of this part.

7 PART VII

8 SECTION 10. The Hawaii Revised Statutes is amended by
9 adding a new chapter to be appropriately designated and to read
10 as follows:

11 "CHAPTER

12 STATE COMPREHENSIVE EMPLOYMENT AND TRAINING PROGRAM

13 PART I. GENERAL PROVISIONS

14 § -1 Definitions. As used in this chapter, unless the
15 context clearly requires otherwise:

16 "Department" means the department of labor and industrial
17 relations.

18 "Director" means the director of labor and industrial
19 relations.

20 "Unemployed person" means a person who is without a job and
21 is able, available, and seeking full-time employment.



1 § -2 **Authority.** (a) The director may create and
2 administer a statewide, state-funded, subsidized public service
3 employment program. In carrying out the program, the director
4 shall accord priority to individuals to be hired in the
5 following order:

6 (1) Unemployed persons who have been unemployed for more
7) than fifteen weeks, including those who have exhausted
8 their unemployment benefits;

9 (2) All other unemployed persons who are unemployment
10 insurance claimants, including those who have
11 exhausted their unemployment benefits;

12 (3) All other unemployed persons, whether or not they are
13 unemployment insurance claimants, who are certified by
14 the director as recipients of state public assistance
15 under chapter 346; and

16 (4) All other unemployed persons, whether or not they are
17 unemployment insurance claimants.

18 (b) Persons employed in public service jobs under this
19 chapter shall not be paid wages below the state minimum wage.

20 (c) Persons under subsection (b) shall not be considered
21 state employees and shall not be subject to the laws relating to



1 state employment benefits, including those regarding hours of
2 work, rates of compensation, leave, unemployment compensation,
3 and state employee benefits.

4 (d) For purposes of chapter 386, persons under subsection
5 (b) shall be deemed employees of the State within the meaning of
6 the term "employee" as defined in section 386-1, and the
7 provisions of that chapter shall apply.

8 § -3 Relationship of program under this part to other
9 state programs. The program under this part shall be a state-
10 funded program. Accordingly, the director shall not be required
11 to conform this program with that of other public service
12 employment programs.

13 The director, immediately upon enactment of this part,
14 shall implement this part. The director shall coordinate the
15 activities under this part with any other state or county
16 activities relating to public service employment, including but
17 not limited to programs under chapters 202, 394, and 394B,
18 section 346-71, and part V of chapter 346.

19 § -4 Rules. The director shall adopt rules pursuant to
20 chapter 91 necessary for the purposes of this chapter.



1 § -5 **Reports.** The director shall report annually to the
2 legislature on the progress of implementing this chapter.

3 **PART II. STATE ASSISTANCE FOR CERTAIN EMPLOYMENT**

4 § -11 **State subsidy for certain employers.** Any
5 employer, whether or not operated for profit, who agrees to
6 participate in an employment program to train and permanently
7 hire unemployed persons, shall be entitled to a state subsidy in
8 accordance with this part and any rules adopted thereunder.

9 § -12 **Nature of subsidy.** The subsidy shall be to defray
10 extra costs of providing employment and a program of training
11 and support services. The subsidy may be used for on-the-job
12 training and counseling, job orientation, job-related education,
13 instruction in English as a second language, medical and dental
14 services, transportation expenses, a portion of wages, and other
15 costs related to the employment.

16 All subsidies shall be made directly to the employer by the
17 director. The amounts of the subsidies shall be determined by
18 the director in accordance with guidelines adopted by the
19 director, and all subsidies shall be incorporated into contracts
20 entered into between the director and the participating
21 employers.



1 § -13 **Limitations.** No subsidy shall exceed
2 \$ for one permanent job position. The maximum subsidy
3 allowed to any one employer shall be \$ or an amount not
4 to exceed twenty-five per cent of any one employer's workforce,
5 whichever is the lesser amount, except under exceptional
6 circumstances as determined by the director. The training
7 subsidy for a given position shall not exceed twenty weeks.

8 **PART III. STATE LOANS FOR CERTAIN EMPLOYMENT**

9 § -21 **State loans for certain private employers.** Any
10 private employer, whether or not operated for profit, who agrees
11 to participate in an employment program to train and permanently
12 hire unemployed persons shall be eligible for a state low-
13 interest loan for purposes described in this part.

14 § -22 **Nature of loans.** The employer who qualifies shall
15 be entitled to a loan of not more than \$ for each
16 unemployed person that the employer immediately hires; provided
17 that the unemployed person shall be employed by the employer
18 receiving the loan for at least one year or for the term of the
19 loan, whichever is longer.



1 The loan shall be for a term not to exceed five years, at
2 the rate of per cent interest per year, and shall be
3 payable in equal monthly installments of principal and interest.

4 The loan shall be for purposes directly related to the
5 maintenance or expansion of the employer's business activity.

6 Any provision to the contrary notwithstanding, the director
7 shall have full authority and discretion to consider, approve,
8 or disapprove any loan application and impose restrictions on
9 any loan made pursuant to this part. Under no circumstances
10 shall any one employer be granted loans exceeding \$."

11 SECTION 11. There is appropriated out of the general
12 revenues of the State of Hawaii the sum of \$ or so much
13 thereof as may be necessary for fiscal year 2016-2017 to
14 implement section 10 of this Act.

15 The sum appropriated shall be expended by the department of
16 labor and industrial relations for the purposes of this part.

17 PART VIII

18 SECTION 12. Statutory material to be repealed is bracketed
19 and stricken. New statutory material is underscored.



1 SECTION 13. This Act shall take effect on July 1, 2016.

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H.B. NO. 2429

Report Title:

Homelessness; Programs; Appropriation

Description:

Establishes various provisions to address homelessness. Increases the conveyance tax and directs the additional revenues towards homeless facilities and programs administered by DHS. Establishes civil rights boards to address civil rights of homeless. Requires a survey of available state property for affordable rental housing. Requires DHS to conduct a homeless summit. Provides job assistance for homeless individuals. Appropriates moneys.

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