

JAN 22 2016

A BILL FOR AN ACT

RELATING TO HOMELESSNESS.

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

1 SECTION 1. The purpose of this Act is to address
2 homelessness by increasing the availability of cost-effective
3 shelter space.

4 The legislature finds that homeless families and
5 individuals deserve shelter and the general public deserves safe
6 and clean sidewalks, parks, schools, and other public
7 facilities. Achieving both objectives requires a strategy of
8 providing more emergency and transitional shelters for homeless
9 families and individuals and enforcing county anti-nuisance
10 ordinances. The shelters are intended to make space available
11 to homeless families and individuals displaced from public
12 sidewalks, parks, schools, and other public facilities by
13 enforcement of ordinances that prohibit camping or habitation in
14 those areas.

15 This Act is intended to address the first part of the
16 strategy: to make available more emergency and transitional



1 shelter space funded in a cost-effective manner. More
2 specifically, this Act:

- 3 (1) Provides that emergency shelters shall comply with
4 certain minimum requirements that meet basic needs and
5 preferences of homeless families and individuals. By
6 doing so, the legislature intends that the shelters be
7 more attractive to homeless families and individuals;
- 8 (2) Prohibits an emergency shelter from establishing or
9 enforcing a maximum period of stay of homeless
10 families or individuals in the shelter;
- 11 (3) Requires homeless shelter stipend payments to be made
12 based on performance measures that are actually
13 achieved. The legislature intends that this
14 requirement incentivize emergency and transitional
15 shelter providers to actually provide shelter to more
16 homeless families and individuals;
- 17 (4) Repeals the automatic annual adjustment of the
18 homeless stipend amount. The legislature intends that
19 any adjustment of the stipend amount shall be subject
20 to the contract between the department of human
21 services and the provider agency;

1 (5) Revises existing provisions on the establishment and
 2 collection of shelter and service payments by a
 3 provider agency from homeless families and
 4 individuals; and

5 (6) Requires each provider agency to submit a financial
 6 audit to the department at least annually.

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

10 "§346- Emergency shelter; minimum requirements. (a)

11 This section shall apply to every emergency shelter operated by
 12 a provider agency that is under contract with the department to
 13 receive homeless shelter stipends for providing shelter and
 14 services to homeless families or individuals at the emergency
 15 shelter.

16 (b) The department shall require an emergency shelter to
 17 comply with the following:

18 (1) The shelter shall have the number of showers and
 19 bathrooms that the department deems appropriate and
 20 sufficient for the number of homeless families or
 21 individuals that use the shelter and the capacity of



1 the shelter. The showers and bathrooms may be part of
2 the shelter building or portable and unattached to the
3 shelter building;

4 (2) The shelter shall have partitioned space for each
5 homeless family or individual that provides separation
6 from other homeless families or individuals in the
7 shelter. The minimum area of the partitioned space
8 and height of the partition shall be determined by the
9 department and may differ among transitional shelters,
10 according to the number of homeless families or
11 individuals that use the shelter and the capacity of
12 the shelter. A shelter that provides separate rooms
13 or portable dwelling units for homeless families or
14 individuals, including converted shipping containers
15 or school classrooms, shall be deemed to exceed this
16 minimum requirement; and

17 (3) The shelter shall provide storage for the personal
18 possessions of each homeless family or individual
19 served by the shelter. The storage shall be securable
20 by the homeless family or individual. The type and



1 number of the storage equipment, space, or area shall
2 be determined by the department.

3 (c) An emergency shelter shall not establish or enforce a
4 maximum period of stay for a homeless family or individual who
5 enters the emergency shelter; provided that this provision shall
6 not prevent a provider agency from evicting a homeless family or
7 individual for violation of rules, failure to comply with a
8 referral to a transitional shelter or other program, or any
9 other reason. The department may require the provider agency
10 operating or managing the emergency shelter to offer a homeless
11 family or individual appropriate services or refer a homeless
12 family or individual to the appropriate services, including
13 shelter in a transitional shelter.

14 (d) The department may require an emergency shelter to
15 comply with any other requirements that the department deems
16 appropriate or necessary. The requirements established by the
17 department may vary among emergency shelters.

18 (e) A provider agency contracted to operate or manage an
19 emergency shelter not owned by the department shall comply with
20 the minimum requirements of subsection (b). The provider agency
21 shall bear all costs of compliance, unless the department



1 provides or contributes state funding assistance; provided that
2 the state funding assistance shall be:

3 (1) In addition to homeless shelter stipends paid to the
4 provider agency under section 346-374;

5 (2) Subject to the availability of legislative
6 appropriations; and

7 (3) Recoverable, in whole or part, by the department if
8 the provider agency does not perform satisfactorily
9 under or for the duration of the term of its contract
10 with the department to operate or manage the shelter.

11 (f) Any emergency shelter owned by the department shall
12 comply with the minimum requirements under subsection (b),
13 regardless of whether the department contracts with a provider
14 agency to manage or operate the emergency shelter."

15 SECTION 3. Section 346-361, Hawaii Revised Statutes, is
16 amended as follows:

17 1. By amending the definition of "emergency shelter" to
18 read:

19 ""Emergency shelter" means a homeless facility designed to
20 provide temporary shelter and appropriate and available services
21 to homeless families or individuals [~~for a specified period of~~



1 ~~time.]~~ who are not able to stay in a transitional shelter or
2 reside in a dwelling unit."

3 2. By amending the definition of "homeless shelter
4 stipend" to read:

5 "Homeless shelter stipend" means a payment to a provider
6 agency ~~[or to]~~ from the department ~~[on behalf of]~~ to provide
7 temporary shelter and appropriate services for a homeless family
8 or individual ~~[to assist with the costs of operating]~~ at a
9 homeless facility ~~[and providing appropriate services.]~~ operated
10 or managed by the provider agency."

11 3. By amending the definition of "transitional shelter" to
12 read:

13 "Transitional shelter" means a homeless facility designed
14 to provide temporary shelter and appropriate and available
15 services for a maximum of twenty-four months to homeless
16 families or individuals ~~[for up to twenty-four months, pursuant~~
17 ~~to rule.]~~ qualified by the pertinent provider agency or
18 department to stay in the transitional shelter."

19 SECTION 4. Section 346-371, Hawaii Revised Statutes, is
20 amended to read as follows:



1 " ~~[+]§346-371[+]~~ Annual ~~[performance audits.]~~ financial
2 audit. (a) The department shall require any provider agency
3 that dispensed shelter or assistance for any homeless facility
4 or any other program for the homeless authorized by this part to
5 submit to the department a financial audit ~~[and report]~~ when
6 requested, but ~~[no later than every three years.]~~ at least
7 annually. The audit shall be conducted by a certified public
8 accounting firm. This audit ~~[and report]~~ shall contain
9 information specific to the funds received under state homeless
10 program contracts. The audit shall include recommendations to
11 address any problems found.

12 (b) Continuing contracts with provider agencies to
13 participate in any program for the homeless authorized by this
14 part shall require that the provider agency address the
15 recommendations made by the ~~[auditing agency,]~~ audit, subject to
16 exceptions as set by the department.

17 (c) Failure to carry out the recommendations made by the
18 ~~[auditing agency]~~ audit may be grounds for the department to bar
19 a provider agency from further contracts for programs authorized
20 by this part until the barred provider has addressed all
21 deficiencies."



1 SECTION 5. Section 346-374, Hawaii Revised Statutes, is
2 amended to read as follows:

3 " ~~[+]§346-374[+]~~ Homeless shelter stipends. (a) ~~[The~~
4 ~~stipend limits per shelter unit of zero bedrooms shall be~~
5 ~~adjusted by the department annually on the first day of July~~
6 ~~pursuant to standards established by rule, which may consider~~
7 ~~changes in the cost of operating homeless facilities, the fair~~
8 ~~market rents, the consumer price index, or other relevant~~
9 ~~factors. A "shelter unit of zero bedrooms" means a living unit~~
10 ~~that is a studio unit or a single room occupancy unit. The~~
11 ~~homeless shelter stipend at transitional shelters for larger~~
12 ~~shelter units shall be proportional to the difference in unit~~
13 ~~size.~~

14 ~~(b)]~~ The department may make or may contract to make
15 homeless shelter stipend payments ~~[on behalf of one or more~~
16 ~~homeless families or individuals]~~ to a provider agency operating
17 or managing an emergency or transitional shelter ~~[or, if the~~
18 ~~department itself operates and manages a homeless facility, to~~
19 ~~the department in amounts and under circumstances as provided by~~
20 ~~rule. The contract may specify a minimum total amount of~~
21 ~~homeless shelter stipends to be received by a provider agency~~



1 ~~for making its shelter and services available to eligible~~
2 ~~homeless families or individuals]~~. Under each contract, the
3 department shall pay homeless shelter stipends only for
4 performance measures actually achieved by the provider agency,
5 such as the number of homeless families or individuals actually
6 provided shelter and appropriate services at the emergency or
7 transitional shelter. The contract also may include provisions
8 for the automatic adjustment of the homeless shelter stipend
9 amounts, depending on factors agreed to by the department and
10 provider agency.

11 ~~[(e)]~~ (b) In making homeless shelter stipend payments to a
12 provider agency, the department may establish minimum services
13 to be provided by the provider agency to homeless families or
14 individuals at the provider agency's shelter. The department
15 may also direct provider agencies to establish and manage a
16 savings account program as described in subsection ~~[(d)-]~~ (c).
17 Additionally, the department may direct provider agencies to
18 subcontract for outreach services from other private agencies
19 specializing in programs for the unsheltered homeless.

20 ~~[(d) Provider agencies and]~~ (c) When authorized under a
21 contract with the department, a provider agency may establish



1 and collect shelter and services payments from homeless families
2 or individuals in addition to the amount received in homeless
3 shelter stipend payments [~~pursuant to rule~~]. To the extent
4 possible, the shelter and service payment amounts for a homeless
5 facility other than an emergency shelter shall be based on the
6 homeless families' and individuals' ability to pay. If
7 collection of payments based on ability to pay is too difficult,
8 costly, or inefficient for the provider agency, the payment
9 amounts may be based on other criteria authorized under the
10 contract.

11 Provider agencies and the department may also set aside a
12 portion of the payments in a savings account to be made
13 available to homeless families or individuals when these
14 families and individuals vacate the shelter.

15 (d) Any state funding assistance provided to a provider
16 agency for compliance with the minimum requirements under
17 section 346- (b) shall be in addition to homeless shelter
18 stipends paid to the provider agency."

19 SECTION 6. (a) For the purpose of this section,
20 "emergency shelter", "provider agency", and "transitional



1 shelter" mean the same as defined under section 346-361, Hawaii
2 Revised Statutes.

3 (b) Each contract that becomes effective after June 30,
4 2017, between the department of human services and a provider
5 agency for the operation or management of an emergency or
6 transitional shelter shall comply with this Act. This
7 requirement shall apply whether the contract is entered into,
8 renewed, or extended before or after June 30, 2017.

9 (c) From the effective date of this section, the
10 department of human services shall work with provider agencies
11 to implement this Act.

12 SECTION 7. There is established in the department of human
13 services 2.0 permanent full-time equivalent (2.0 FTE) specialist
14 IV positions to assist in the procurement and monitoring of
15 homeless shelter contracts.

16 SECTION 8. There is appropriated out of the general
17 revenues of the State of Hawaii the sum of \$ or so much
18 thereof as may be necessary for fiscal year 2016-2017 for
19 implementation of this Act, including the establishment of 2.0
20 full-time equivalent permanent (2.0 FTE) program specialist IV
21 positions within the department of human services.



S.B. NO. 2559

1 The sum appropriated shall be expended by the department of
2 human services for the purposes of this Act

3 SECTION 9. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 10. This Act shall take effect on July 1, 2017;
6 provided that sections 6, 7, and 8 shall take effect on July 1,
7 2016.

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S.B. NO. 2559

Report Title:

Homeless Shelters; Requirements; Appropriation

Description:

Establishes minimum requirements for emergency shelters. Prohibits an emergency shelter from establishing or enforcing a maximum period of stay for homeless families or individuals. Requires homeless shelter stipends to be paid for achievement of performance measures. Repeals the automatic annual adjustment of homeless shelter stipend amounts. Revises existing provisions on the establishment and collection of shelter and service payments from homeless families and individuals. Requires homeless service provider agencies to submit a financial audit to the department of human services at least annually. Establishes 2.0 FTE positions to assist in the procurement and monitoring of homeless shelter contracts. Appropriates funds.

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