
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
2 continues to be one of the State's most significant and
3 challenging social problems. For decades, federal, state, and
4 county governments have adopted measures and implemented
5 programs to combat homelessness. In 1935, the territorial
6 legislature established the Hawaii housing authority to provide
7 safe and sanitary housing for low-income residents of Hawaii.
8 In 1953, construction of the Mayor Wright homes public housing
9 project was completed, making hundreds of units available for
10 low-income families and individuals. Act 105, Session Laws of
11 Hawaii 1970, expanded the duties of the Hawaii housing authority
12 to address the critical shortage of housing for lower- and
13 middle-income residents. In 1987, the governor's office created
14 the state homeless task group to advise the governor and ensure
15 coordination across homeless services. In 2005, the United
16 States Department of Housing and Urban Development awarded
17 almost \$6,000,000 in grants-in-aid for Hawaii's homeless. These



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

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

15 Despite these and decades of many other government efforts,
16 expenditures of millions of tax dollars, and countless hours of
17 work by government and private sector employees, homelessness in
18 Hawaii continues to rise. In 2011, approximately six thousand
19 two hundred individuals were homeless on any particular day. In
20 2015, this number increased to seven thousand six hundred
21 individuals. During the 2013-2014 fiscal year, 14,282 homeless



1 individuals received services through shelter and outreach
2 programs compared to eleven thousand and seventy individuals
3 during the 2006-2007 fiscal year. Due to these increases,
4 Hawaii now has more homeless individuals, per capita, than any
5 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 establishing the homelessness fund,
15 increasing the conveyance tax, and directing portions of the
16 conveyance tax to the homelessness fund and to other projects
17 that involve the homeless.

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



1 "§346- Homelessness fund. (a) The homelessness fund,
2 called the "fund", is established.

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

7 (c) The appropriate percentage identified under section
8 247-7 of all taxes imposed and collected under chapter 247 shall
9 be deposited in or credited to the fund every fiscal year.

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

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



1 SECTION 3. 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~~] Fifteen cents per \$100 for properties with
14 a value of less than \$600,000;

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

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



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



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

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

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

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

13 (G) One dollar and [~~twenty-five~~] thirty cents per
14 \$100 for properties with a value of \$10,000,000
15 or greater,

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



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

8 SECTION 4. 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 of the taxes collected each fiscal year:

15 (1) [~~Ten~~] _____ per cent or \$6,800,000, whichever is
 16 less, shall be paid into the land conservation fund
 17 established pursuant to section 173A-5; [~~and~~]

18 (2) [~~Fifty~~] _____ per cent or \$38,000,000, whichever is
 19 less, shall be paid into the rental housing revolving
 20 fund established by section 201H-202 [];



- 1 (3) per cent for experimental or demonstration
- 2 housing projects authorized pursuant to section 356D-
- 3 11(e);
- 4 (4) per cent for experimental or demonstration
- 5 housing projects authorized pursuant to section 201H-
- 6 12(e); and
- 7 (5) per cent shall be paid into the homelessness
- 8 fund established pursuant to section 346- ."

9 SECTION 5. Chapter 346, Hawaii Revised Statutes, is
10 amended by adding a new section to be appropriately designated
11 and to read as follows:

12 "§346- Community shelter commissions; established;
13 composition. (a) There is established, within each county, a
14 community shelter commission.

15 (b) Each community shelter commission shall be composed of
16 the following representatives:

- 17 (1) The State, to be selected by the governor;
- 18 (2) The United States, to be invited by the governor;
- 19 (3) The county, to be selected by the mayor of the
- 20 respective county;



- 1 (4) The clergy, to be invited by the governor;
- 2 (5) The real estate commission;
- 3 (6) Social services, to be invited by the president of the
- 4 senate; and
- 5 (7) Businesses, to be invited by the speaker of the house
- 6 of representatives.

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

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

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

17 SECTION 6. Statutory material to be repealed is bracketed
18 and stricken. New statutory material is underscored.



H.B. NO. 1441

Report Title:

Homelessness; Programs; Conveyance Tax

Description:

Establishes the homelessness fund. Increases the conveyance tax and directs revenues towards experimental or demonstration housing projects administered by HFCD and by HPHA and homeless facilities and programs administered by DHS.

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

