
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 "kauhale"
2 traditionally means a Hawaiian village and houses members of an
3 ohana, whether related by blood or not, who treat each other as
4 extended family. The concept of kauhale maximizes the sense of
5 community by recognizing and celebrating an individual's skills,
6 knowledge, and experiences with others.

7 The legislature further finds that this traditional housing
8 model, which is grounded in Hawaiian culture and values,
9 presents an opportunity to improve the lives of people
10 experiencing homelessness. While significant strides have been
11 made, current attempts to address homelessness in Hawaii remain
12 insufficient. Hawaii continues to have the highest number of
13 homeless individuals per capita of any state in the nation. The
14 city and county of Honolulu, which has the highest number of
15 homeless individuals in the State, has seen the number of
16 unsheltered homeless individuals rise over the past five years
17 and the number of people in shelters decline during the same



1 period, despite increased investment in shelters and
2 enforcement.

3 The legislature also finds that the kauhale model has the
4 potential to serve homeless individuals in a way that existing
5 programs are currently unable to, with the goal of improving the
6 health and well-being of homeless individuals.

7 The purpose of this Act is to establish the kauhale pilot
8 program to provide permanent shelter and other services to
9 homeless individuals.

10 SECTION 2. For purposes of this Act, "homeless" has the
11 same meaning as in section 346-361, Hawaii Revised Statutes.

12 SECTION 3. (a) There is established the kauhale pilot
13 program to provide permanent long-term housing and certain
14 services to homeless individuals. A kauhale may:

- 15 (1) Consist of tiny homes priced at no more than \$25,000
16 per unit;
- 17 (2) Have common areas that are designed to encourage
18 community engagement with residents;
- 19 (3) Have shared facilities, including restrooms and
20 kitchens, to promote shared responsibility and to
21 reduce cost and infrastructure needs;



1 (4) Accept residents coping with substance abuse who are
2 receiving treatment for substance abuse;

3 (5) Allow residents to form community associations to
4 share responsibilities for management and improvements
5 of the kauhale; and

6 (6) House residents that are chronically homeless, as
7 defined by the United States Department of Housing and
8 Urban Development.

9 (b) The lieutenant governor shall administer and oversee
10 the operation of the kauhale pilot program. The lieutenant
11 governor shall designate the Hawaii housing finance and
12 development corporation and other appropriate agencies,
13 including an agency with specific expertise in construction
14 development and any state agency with specific expertise in
15 administering homeless services and housing services, to develop
16 and implement the kauhale pilot program. The lieutenant
17 governor, through these designated agencies, shall determine the
18 number and locations of a kauhale, which shall be situated on
19 public or private lands; provided that the designated agencies
20 shall identify six sites on Oahu, and at least one site on each
21 of the islands of Hawaii, Kauai, and Maui.



1 (c) The agencies designated pursuant to subsection (b) may
2 coordinate with public or private entities, as appropriate, to
3 develop and implement the kauhale pilot program; provided that
4 if any public land under the jurisdiction of a state or county
5 agency is determined to be suitable for use as a kauhale, the
6 designated agencies shall:

7 (1) Work with the appropriate state or county agency that
8 controls the land to lease the land designated for use
9 as a kauhale to an agency or public or private entity,
10 as appropriate, whose mission is more suited to the
11 management of a kauhale; and

12 (2) Work with the appropriate state or county agency that
13 controls the land and its construction agency to
14 ensure that infrastructure needs for a kauhale are met
15 and minimize adverse impacts to the environment,
16 including to nearshore resources such as corals, reef
17 fish, and seabirds.

18 (d) The kauhale pilot program may provide the following
19 facilities and services at each kauhale:

20 (1) Secure dwelling spaces that:

21 (A) May be private or communal;



- 1 (B) Have access to toilets, showers, and other
- 2 hygiene facilities; and
- 3 (C) Have access to an area for food storage and meal
- 4 preparation;
- 5 (2) Onsite jobs, micro-enterprise opportunities, micro-
- 6 farm space, community events, and community centered
- 7 kuleana;
- 8 (3) Medical and social support services; and
- 9 (4) Access to transportation to appointments related to
- 10 medical care or supportive services that are not
- 11 available at a kauhale.

12 SECTION 4. (a) Contracts entered into by the agencies
13 designated by the lieutenant governor pursuant to the kauhale
14 pilot program shall be exempt from the requirements of chapters
15 103D and 103F, Hawaii Revised Statutes, as well as all county
16 ordinance, rule, regulation, law, or provision in any form that
17 applies to any county permitting, licensing, zoning, variance,
18 processes, procedures, fees, or any other requirements that
19 hinder, delay, or impede the purpose of this Act. Exemption
20 from requirements of chapter 103D and 103F, Hawaii Revised
21 Statutes, shall apply to the kauhale pilot program on both



1 public and private land, but only during the pilot period.
2 Contracts entered into during the pilot period shall not extend
3 beyond the pilot end date of June 30, 2023.

4 (b) The governor's emergency proclamation regarding
5 homelessness dated December 14, 2018, is hereby codified in
6 order to eliminate the need to repeatedly extend the governor's
7 proclamation and to support the expeditious delivery of
8 permanent homes in the kauhale pilot program. The kauhale pilot
9 program shall be exempt from the following requirements of the
10 Hawaii Revised Statutes; provided these exemptions shall apply
11 only during the pilot period; and provided further that the
12 permanent housing in the kauhale pilot program shall be safe,
13 sanitary, and suitable for human habitation:

- 14 (1) Chapter 6E, historic preservation;
- 15 (2) Section 37-41, appropriations to revert to state
16 treasury;
- 17 (3) Section 37-74(d), program execution, except for
18 subsections 37-74(d)(2) and 37-74(d)(3), and any such
19 transfers or changes shall be considered authorized
20 transfers or changes for purposes of section
21 34-74(d)(1) for legislative reporting requirements;



- 1 (4) Section 40-66, lapsing of appropriations;
- 2 (5) Chapter 46, county organization and administration as
- 3 any county ordinance, rule, regulation, law, or
- 4 provision in any form applies to any county
- 5 permitting, licensing, zoning, variance, processes,
- 6 procedures, fees, or any other requirements that
- 7 hinder, delay, or impede the purpose of this Act;
- 8 (6) Chapter 89, collective bargaining in public
- 9 employment;
- 10 (7) Chapter 89C, public officers and employees excluded
- 11 from collective bargaining;
- 12 (8) Chapter 92, public agency meetings and records, to the
- 13 extent that any notice requirements or any other
- 14 provisions of Chapter 92 may delay the expeditious
- 15 action, decision, or approval of any agency;
- 16 (9) Section 102-2, contracts for concessions in government
- 17 buildings; bid requirements;
- 18 (10) Section 103-2, general fund;
- 19 (11) Section 103-53, contracts with the State or counties;
- 20 tax clearances, assignments;



- 1 (12) Section 103-55, wages, hours, and working conditions
- 2 of employees of contractors performing services;
- 3 (13) Chapter 103D, Hawaii public procurement code;
- 4 (14) Chapter 103F, purchases of health and human services;
- 5 (15) Chapter 104, wages and hours of employees on public
- 6 works;
- 7 (16) Sections 105-1 to 105-10, use of government vehicles,
- 8 limitations;
- 9 (17) Section 127A-30, rental or sale of essential
- 10 commodities during a state of emergency; prohibition
- 11 against price increases;
- 12 (18) Chapter 171, public lands;
- 13 (19) Chapter 205, land use commission;
- 14 (20) Chapter 205A, coastal zone management;
- 15 (21) Chapter 206E, Hawaii community development authority;
- 16 (22) Chapter 343, environmental impact statements;
- 17 (23) Chapter 346, social services;
- 18 (24) Section 464-4, public works required to be supervised
- 19 by certain professionals; and
- 20 (25) Sections 601-1.5, 708-817, 708-818, 708-820, 708-
- 21 830.5, and 708-840, to the extent that these sections



1 contain provisions for the suspension, tolling,
2 extension, or granting of relief from deadlines, time
3 schedules, or filing requirements in civil, criminal,
4 or administrative matters before the courts of the
5 state or to the extent that these sections contain
6 provisions for criminal penalties that are
7 automatically heightened by reason of any declared
8 disaster or emergency.

9 (c) The agencies designated by the lieutenant governor
10 pursuant to the kauhale pilot program shall establish no later
11 than December 31, 2020, the following:

- 12 (1) The criteria that the agencies will use to evaluate
13 potential kauhale locations;
- 14 (2) A monthly timetable of milestones that the agencies
15 expect to meet in establishing one or more kauhale
16 over the course of the pilot program;
- 17 (3) Specific, measurable, attainable, reasonable, and
18 time-based performance measures that the agencies
19 expect to meet at the end of each fiscal year;



1 (4) The evaluation criteria and process that the agencies
2 intend to use each year when reviewing the success and
3 sustainability of a kauhale; and

4 (5) The monitoring and oversight controls that the
5 agencies will have over a kauhale to identify,
6 address, and prevent possible fraud, waste, and abuse,
7 and ensure compliance with local, state, and federal
8 laws.

9 (d) The Hawaii housing finance and development corporation
10 shall compile and consolidate information from the agencies
11 designated by the lieutenant governor pursuant to the kauhale
12 pilot program to effectuate this Act and submit an annual report
13 to the legislature no later than twenty days prior to the
14 convening of the regular sessions of 2021, 2022, and 2023.

15 (e) The report submitted no later than twenty days prior
16 to the convening of the regular session of 2021 shall include
17 the following information:

18 (1) A summary and explanation of the process that the
19 agencies designated by the lieutenant governor
20 pursuant to the kauhale pilot program engaged in to
21 identify possible kauhale locations; and



1 (2) A summary of the information required under subsection
2 (b).

3 (f) The reports submitted no later than twenty days prior
4 to the convening of the regular sessions of 2022 and 2023 shall
5 include the following information:

6 (1) The milestones established pursuant to subsection (b)
7 that were met by the agencies designated by the
8 lieutenant governor pursuant to the kauhale pilot
9 program and the number of kauhale established during
10 the fiscal year;

11 (2) An evaluation of the kauhale pilot program to
12 determine whether the objectives set have been met or
13 exceeded;

14 (3) Any proposed changes that need to be made to the
15 performance measures used to assess the achievement of
16 program goals; and

17 (4) An assessment of the impact of the kauhale model on
18 the homelessness problem in Hawaii.

19 (g) The kauhale pilot program shall cease to exist on
20 June 30, 2023.



1 SECTION 5. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$20,000,000 or so
3 much thereof as may be necessary for fiscal year 2020-2021 for
4 the establishment of the kauhale pilot program and expenses
5 related to facility construction, infrastructure, provision of
6 services, staffing, and administrative costs.

7 The sum appropriated shall be expended by the office of the
8 lieutenant governor for the purposes of this Act; provided that
9 the lieutenant governor shall transfer the expenditure authority
10 to the appropriate designated agencies within a reasonable time.

11 Notwithstanding any other law to the contrary, the
12 lieutenant governor may transfer all or a portion of the
13 appropriation in this section to the lieutenant governor's
14 designated agencies for expenditures incurred to implement the
15 kauhale pilot program.

16 The lieutenant governor's designated agencies may expend
17 any appropriation transferred pursuant to this section for the
18 performance of their duties under the kauhale pilot program.

19 SECTION 6. There is appropriated out of the general
20 revenues of the State of Hawaii the sum of \$200,000 or so much
21 thereof as may be necessary for fiscal year 2019-2020 for one



1 full-time (1.0 FTE) position for a project manager position and
2 one full-time (1.0 FTE) position for an office assistant III.

3 The sums appropriated shall be expended by the Hawaii
4 housing finance and development corporation for the purposes of
5 this Act.

6 SECTION 7. This Act shall take effect on July 1, 2020.



Report Title:

Kauhale; Pilot Program; Lieutenant Governor; Appropriation

Description:

Establishes the kauhale pilot program to provide shelter and certain services to homeless individuals. Appropriates funds for the kauhale pilot program. Appropriates funds for two FTE employees for the Hawaii Housing Finance and Development Corporation. (SD1)

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