

Honolulu, Hawaii

FEB 13 , 2020

RE: H.B. No. 1816  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2020  
State of Hawaii

Sir:

Your Committees on Housing and Human Services & Homelessness,  
to which was referred H.B. No. 1816 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

beg leave to report as follows:

The purpose of this measure is to:

- (1) Require the Hawaii Housing Finance and Development Corporation (HHFDC) to implement the Homebuyer's Club Program and require and appropriate funds for HHFDC to provide financial aid to program participants for down payments and other costs associated with purchasing a home; and
- (2) Require and appropriate funds for the Department of Human Services (DHS) to offer long-term case management for:
  - (A) Low-income individuals and families; and
  - (B) Individuals and families who were formerly homeless or currently at-risk for homelessness and accept financial aid for rent.



Your Committees received testimony in support of this measure from the Hawaii Health & Harm Reduction Center, Catholic Charities Hawaii, Partners in Care, Hawaii Kai Homeless Task Force, and two individuals. Your Committees received comments on this measure from the Governor's Coordinator on Homelessness, Department of Human Services, and Hawaii Housing Finance and Development Corporation.

Your Committees find that according to a LendingTree study, Hawaii residents rank eighth in the United States when it comes to per capita debt, at \$40,700. The high debt is largely attributable to credit card debt. Ninety percent of Hawaii residents having credit cards and an average debt of \$4,489. Your Committees further find that high debt has an impact on a resident's ability to qualify for a home loan and the accumulation of funds for a down payment for a home purchase. Your Committees believe that a mix of financial aid and financial education for low-income families will improve their prospect of homeownership.

Your Committees further find that many individuals and families who have received financial assistance to exit or avoid homelessness often have difficulty maintaining self-sufficiency for more than one or two years. Your Committees believe that the case management support provided by homeless service providers following the provision of financial rent assistance is too short in duration. A longer term of follow up and availability of case management, including counseling and financial education, for low-income renters will help these renters secure long-term housing and reduce recidivism.

Your Committees have amended this measure by:

- (1) Requiring, rather than authorizing, HHFDC to establish the Homebuyer's Club Program;
- (2) Creating a full-time, permanent position for the administration of the Homebuyer's Club Program;
- (3) Authorizing, rather than mandating, DHS to offer long-term case management to specified individuals and families;
- (4) Changing its effective date to July 1, 2025, to encourage further discussion; and




- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Housing and Human Services & Homelessness that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1816, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1816, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committees on Housing and Human  
Services & Homelessness,



JOY A. SAN BUENAVENTURA, Chair



TOM BROWER, Chair





