

JAN 26 2022

S.B. NO. 3108

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# A BILL FOR AN ACT

RELATING TO OHANA ZONES.

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

1       SECTION 1. The legislature established the ohana zones  
2 pilot program through Act 209, Session Laws of Hawaii 2018, and  
3 later revised and extended the program to June 30, 2023 through  
4 Act 128, Session Laws of Hawaii 2019. As defined in section 2  
5 of Act 209, an ohana zone is a place: (1) That has a program to  
6 address basic needs of individuals experiencing homelessness;  
7 and (2) Where wrap-around services, social and health care  
8 services, transportation, and other services may be offered with  
9 the goals of alleviating poverty and transitioning individuals  
10 experiencing homelessness into affordable housing.

11       As of September 30, 2021, the ohana zones pilot program  
12 included nineteen separate projects that collectively served  
13 5,067 individuals statewide, including 1,129 individuals who  
14 were placed into permanent housing. The program maintained 358  
15 beds in the homeless services system and added 432 new beds for  
16 shelter or housing. In addition, the ohana zones pilot program  
17 has enabled the State and counties to be flexible and quickly  
18 add shelter capacity in response to the coronavirus 2019 (COVID-  
19 19) pandemic.

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1       The legislature finds that the demand for homeless services  
2   is expected to continue at current levels and increase in the  
3   years following the economic impact of the COVID-19 pandemic.  
4   Following the 2009 economic recession, the statewide point-in-  
5   time count of homeless individuals increased from 5,782 in 2009  
6   to a high of 7,921 in 2016. The increase of 2,139 people was a  
7   36.9 per cent increase over the seven years following the 2009  
8   recession. It is likely that the increase in homelessness  
9   following the pandemic may be larger in scale due to the  
10   continuing uncertainty for economic recovery as the pandemic  
11   continues.

12       The legislature further finds that there is a need to  
13   continue and expand the ohana zones pilot program to respond to  
14   homelessness as the COVID-19 pandemic continues. The  
15   continuation of the ohana zones pilot program will enable the  
16   continuation of effective pilot projects to mitigate future  
17   increases in homelessness. In addition, increased resources for  
18   the ohana zones pilot program will enable the State to develop  
19   new ohana zones pilot projects to further expand shelter and  
20   housing capacity for individuals directly experiencing or  
21   transitioning out of homelessness.

22       New projects and resources are particularly needed to  
23   address housing and shelter needs of unaccompanied minors and

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1 young adults who do not have access to adequate resources or  
2 family supports to maintain housing. The pandemic has  
3 highlighted the system barriers that impact unaccompanied minors  
4 and young adults as neither group is eligible for most existing  
5 financial assistance programs that are available to unemployed,  
6 parenting, or disabled residents.

7 The purpose of this Act is to continue and expand the ohana  
8 zones pilot program by three additional years, with the goals of  
9 improving the health and well-being of individuals experiencing  
10 homelessness and providing individuals experiencing homelessness  
11 with needed services.

12 SECTION 2. Act 209, Session Laws of Hawaii 2018, as  
13 amended by Act 128, Session Laws of Hawaii 2019, is amended by  
14 amending section 4 to read as follows:

15 "SECTION 4. (a) Contracts entered into by the agencies  
16 designated by the governor pursuant to the ohana zones pilot  
17 program shall be exempt from the requirements of chapters 103D  
18 and 103F, Hawaii Revised Statutes.

19 (b) The agencies designated by the governor shall  
20 establish no later than December 31, 2018, the following:

21 (1) The criteria that the agencies will use to evaluate  
22 potential ohana zone locations;

23 (2) A monthly timetable of milestones that the agencies

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1 expect to meet in establishing one or more ohana zones  
2 over the course of the three-year pilot program;

3 (3) The specific, measurable, attainable, reasonable, and  
4 time-based performance measures that the agencies  
5 expect to meet at the end of each fiscal year;

6 (4) The evaluation criteria and process that the agencies  
7 intend to use each year when reviewing the success and  
8 sustainability of the ohana zones; and

9 (5) The monitoring and oversight controls that the  
10 agencies will have over the ohana zones to identify,  
11 address, and prevent possible fraud, waste, and abuse  
12 and ensure compliance with local, state, and federal  
13 laws.

14 (c) The governor's coordinator on homelessness shall  
15 compile and consolidate information from the agencies designated  
16 by the governor to effectuate this part and submit reports to  
17 the legislature no later than twenty days prior to the convening  
18 of the regular sessions of 2020, 2021, [~~and~~] 2022[-], 2023,  
19 2024, and 2025.

20 (d) The report submitted no later than twenty days prior  
21 to the convening of the regular session of 2020 shall include  
22 the following information:

23 (1) A summary and explanation of the process that the

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1 agencies designated by the governor pursuant to the  
2 ohana zones pilot program engaged in to identify  
3 possible ohana zone locations; and

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

6 (e) The reports submitted no later than twenty days prior  
7 to the convening of the regular sessions of ~~[2021 and]~~ 2022,  
8 2023, 2024, and 2025 shall include the following information:

9 (1) The milestones established pursuant to subsection (b)  
10 that were met by the agencies designated by the  
11 governor pursuant to the ohana zones pilot program and  
12 ohana zones established during the fiscal year;

13 (2) An evaluation of the ohana zones to determine whether  
14 the objectives set have been met or exceeded;

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

18 (4) An assessment of the impact of the ohana zone model on  
19 the homelessness problem in Hawaii.

20 (f) The pilot program shall cease to exist on June 30,  
21 ~~[2023-]~~ 2026."

22 SECTION 3. There is appropriated out of the general  
23 revenues of the State of Hawaii the sum of \$15,000,000 or so

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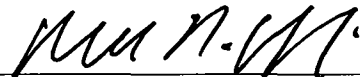
1 much thereof as may be necessary for fiscal year 2022-2023 to be  
2 used solely for the implementation of projects through the ohana  
3 zones pilot program that address the basic needs of individuals  
4 experiencing homelessness.

5 The sum appropriated shall be expended by the office of the  
6 governor for the purposes of this Act; provided that the  
7 governor may transfer the expenditure authority to designated  
8 executive branch departments or agencies.

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

11 SECTION 5. This Act shall take effect upon its approval.

12  
13 INTRODUCED BY:



14 BY REQUEST  
15

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**Report Title:**

Homelessness; Housing; Ohana Zones pilot program; Appropriations

**Description:**

Extends the Ohana Zones pilot program to June 30, 2026.

Appropriates funds.

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

JUSTIFICATION SHEET

DEPARTMENT: Department of Human Services

TITLE: A BILL FOR AN ACT RELATING TO OHANA ZONES.

PURPOSE: To extend the Ohana Zones pilot program to June 30, 2026, and appropriate additional funds.

MEANS: Amends Act 209, Session Laws of Hawaii (SLH) 2018, as amended by Act 128, SLH 2019, by extending the sunset date for an additional three years, and appropriates additional funds.

JUSTIFICATION: Act 209, SLH 2018, established the Ohana Zones pilot program as a three-year pilot project with an initial sunset date of June 30, 2021. Act 128, SLH 2019, extended the program to June 30, 2023.

The coronavirus disease 2019 (COVID-19) pandemic and its economic consequences include impacts on households' ability to pay rent or mortgages. The U.S. Census Bureau Household Pulse Survey for Week 36 that spanned August 18 through August 30, 2021, Housing Table 3b, reported that of 23,564 Hawaii survey participants, 7,895 reported it was somewhat likely they would be leaving their homes due to eviction in the next two months. The Department of Human Services (DHS) anticipates a growing number of households will experience housing instability and face eviction, and DHS will need to continue to provide the innovative community-based shelter and housing support programs initiated through the Ohana Zones pilot program.

As of September 30, 2021, nineteen Ohana Zones pilot projects served 5,076 individuals statewide and placed 1,129 individuals into permanent housing. In addition, the Ohana Zones pilot projects

maintained 358 beds in the homeless services system and added 432 new beds for shelter or housing. During the COVID-19 pandemic, the Ohana Zones pilot program enabled the State and counties to be flexible and quickly add shelter capacity.

The demand for homeless services is expected to significantly increase over the next few years due to the continuing health and economic impacts of the COVID-19 pandemic. Following the economic recession in 2009, the statewide point-in-time count of homeless individuals increased from 5,782 to a high of 7,921 in 2016 - an increase of 2,139 people (36.9% increase). A larger increase is anticipated as the pandemic continues and the timeframe for economic recovery is uncertain.

Additionally, the pandemic has further exposed the need for the State and counties to develop safer shelter options for unaccompanied youth, and for youth whose families are experiencing homelessness or who are living in crowded spaces. When families are experiencing housing instability, often times older youth double up with family members or friends; these older youth may stay at multiple homes so as to not overburden the families they are staying with. The housing instability impacts their health and well-being and their ability to attend school. More resources are needed to provide stable housing options for unaccompanied youth or youth experiencing homelessness. COVID-19 exposure and diagnosis have also impacted the ability of youth to find safe shelter to isolate and quarantine, and to attend on-line school while in isolation or quarantine.

Given the increased demand for homeless services, there is a need to continue and expand the Ohana Zones pilot program to

sustain effective services and expand statewide bed inventory.

Impact on the public: The continuation and expansion of the Ohana Zones pilot program will sustain effective homeless services and add new bed inventory to meet increased demand during and following the COVID-19 pandemic.

Impact on the department and other agencies: The Governor's Coordinator on Homelessness is primarily responsible for the collection of data and reporting related to the Ohana Zones pilot program, while contracting for the program has been administered by a variety of State agencies designated by the Office of the Governor. These designated agencies include the Department of Human Services, Department of Health, Office of Youth Services, and the Hawaii Housing Finance and Development Corporation.

GENERAL FUND: \$15,000,000.

OTHER FUNDS: None.

PPBS PROGRAM  
DESIGNATION: GOV 100.

OTHER AFFECTED  
AGENCIES: Office of the Governor; Department of Business, Economic Development, and Tourism; Department of Education; Department of Health.

EFFECTIVE DATE: Upon approval.