

Honolulu, Hawaii

FEB 10 , 2022

RE: H.B. No. 1700
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Health, Human Services, & Homelessness, to which was referred H.B. No. 1700 entitled:

"A BILL FOR AN ACT RELATING TO A SEX TRAFFICKING EMERGENCY SHELTER,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Create a general excise tax exemption for any compensation received by a victim service provider for operating or managing a sex trafficking emergency shelter for minors; and
- (2) Authorize the Department of Human Services to establish or contract with a victim service provider to operate an emergency shelter for minors who are victims of sex trafficking and sexual exploitation.

Your Committee received testimony in support of this measure from the Department of the Prosecuting Attorney of the City and County of Honolulu; Hawaii Youth Services Network; Rainbow Family 808; Stonewall Caucus of the Democratic Party of Hawaii; Imua Alliance; American Academy of Pediatrics, Hawaii Chapter; and eleven individuals. Your Committee received comments on this measure from the Department of Taxation, Department of Budget and



Finance, Department of Human Services, Office of Youth Services, Hawaii Youth Correctional Facility, Harm Reduction Hawaii, and one individual.

Your Committee finds that the commercial exploitation of children is a dire problem in Hawaii and the availability of safe, reliable housing for child victims is especially a key component to the stabilization and ultimate rehabilitation of these children. Your Committee further finds that, although the State has authorized the creation and development of two facilities that provide assessment, shelter, and residential treatment programs for victims of sex trafficking in Hawaii, additional services are needed. This measure addresses the gap in service by authorizing the State to contract with victim service providers to operate an emergency shelter for minor victims of sex trafficking.

Your Committee has amended this measure by:

- (1) Deleting language establishing a general excise tax exemption for compensation received by victim service providers for operating or managing a sex trafficking emergency shelter for minors;
- (2) Authorizing the Office of Youth Services, rather than the Department of Human Services, to establish or contract with a victim service provider to operate an emergency shelter for sex trafficking victims;
- (3) Making the State the payor of last resort for the operation of emergency shelters for sex trafficking victims;
- (4) Inserting a savings clause;
- (5) Changing the effective date to July 1, 2060, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health, Human Services, & Homelessness that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1700, as amended herein, and



recommends that it pass Second Reading in the form attached hereto as H.B. No. 1700, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.

Respectfully submitted on
behalf of the members of the
Committee on Health, Human
Services, & Homelessness,



RYAN I. YAMANE, Chair



