
A BILL FOR AN ACT

RELATING TO SUPPORTIVE HOUSING.

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

1 SECTION 1. The legislature finds that supportive housing
2 is an innovative and proven solution to some of the nation's
3 toughest community problems. It combines affordable housing
4 with access to services to help special needs populations, such
5 as chronically homeless individuals and families, individuals
6 with intellectual, developmental, physical or severe mental
7 disabilities, individuals transitioning from incarceration,
8 emancipated foster youth, individuals with an alcohol or drug
9 addiction, and frail elderly individuals, live more stable and
10 productive lives.

11 According to the Corporation for Supportive Housing, a
12 nonprofit organization that has impacted over two hundred
13 thousand individuals in more than three hundred cities across
14 forty-eight states and the United States Virgin Islands,
15 supportive housing generates significant cost savings to public
16 systems. Cost studies in six different states and cities found
17 that supportive housing results in tenants' decreased use of



1 shelters, hospitals, emergency rooms, jails, and prisons. One
2 case study found that an eighty-five-unit supportive housing
3 facility in Charlotte, North Carolina, which serves individuals
4 with extensive histories of homelessness and a disabling
5 condition, effectively ended homelessness for eighty-one per
6 cent of its tenants. This significant housing stability rate is
7 consistent with other permanent supportive housing models across
8 the country. Moreover, there were significant reductions to
9 emergency room visits, hospital stays, ambulance calls, and for
10 tenants involved with the criminal justice system, reductions in
11 arrests and nights in jail.

12 Supportive housing also helps build strong, healthy
13 communities by improving the safety of neighborhoods,
14 beautifying city blocks with new or rehabilitated properties,
15 and increasing or stabilizing property values over time.

16 According to studies from Hawaii Pathways Project and the
17 city and county of Honolulu's housing first program, supportive
18 housing has shown similar positive impacts as in other
19 jurisdictions. Supportive housing benefits include:

- 20 (1) For individuals, improved housing retention, health,
21 and quality of life;



1 (2) For systems, reduced burdens and costs on already
2 stretched public systems, such as public safety and
3 emergency medical services; and

4 (3) For the community, decreased crime rates and increased
5 or no impact on property values.

6 The legislature therefore finds that a supportive housing
7 pilot program will help the State determine the impacts of
8 supportive housing for vulnerable populations and provide urgent
9 housing in the midst of the State's homelessness crisis and
10 ongoing housing shortage. Further granting certain State
11 agencies exemptions from chapters 103D and 103F, Hawaii Revised
12 Statutes, in selecting qualified nonprofit organizations to
13 administer components of the pilot program, who have expertise
14 in delivering specific services with a public purpose, is
15 advantageous to the State and ensures an efficient use of State
16 funds.

17 Accordingly, the purpose of this Act is to:

18 (1) Establish a supportive housing pilot program with the
19 goal of increasing and maintaining supportive housing
20 opportunities for individuals and families with
21 special needs; and



1 (2) Appropriate funds for the implementation of the pilot
2 program.

3 SECTION 2. (a) There is established the supportive
4 housing pilot program within the statewide office on
5 homelessness and housing solutions to provide and maintain
6 affordable, permanent housing and services for individuals and
7 families with special needs.

8 (b) The statewide office on homelessness and housing
9 solutions shall collaborate with the Hawaii housing finance and
10 development corporation, Hawaii public housing authority, and
11 various state, county, and community agencies to implement the
12 pilot program.

13 (c) The Hawaii housing finance and development corporation
14 shall assist in the development of a rental housing project or
15 projects in which some or all of the units are targeted to
16 special needs individuals or families who require supportive
17 services and with household incomes at or below thirty per cent
18 of the area median income. The Hawaii housing finance and
19 development corporation may establish rules and qualification
20 criteria for the award of supportive housing projects without
21 regard to chapter 91, Hawaii Revised Statutes.



1 (d) The Hawaii public housing authority shall implement
2 project-based rent supplement payments to assist project owners
3 in maintaining rentals at levels affordable to eligible
4 households with incomes at or below thirty per cent of the area
5 median income, which, together with rental payments received
6 from eligible tenants, will provide project owners with limited
7 rates of return on their investments in rental housing
8 accommodations. The Hawaii public housing authority may enter
9 into memoranda of agreement with the counties or specialized
10 nonprofit organizations as necessary to implement this
11 subsection. The Hawaii public housing authority shall be exempt
12 from chapter 103D, Hawaii Revised Statutes, in selecting a
13 qualified nonprofit organization to administer the rent
14 supplement payments and may, without regard to chapter 91,
15 Hawaii Revised Statutes, establish rules and qualification
16 standards for participants of the supportive housing pilot
17 program.

18 (e) The statewide office on homelessness and housing
19 solutions shall administer payments for supportive services,
20 including employment services, that assist the residents
21 participating in the pilot program to retain housing, improve



1 their health status, and maximize their ability to live and,
2 when possible, work in the community. Supportive services may
3 include mental health, substance abuse, counseling, and daily
4 living activities. The supportive services funding of not more
5 than \$800 per unit per month is intended to be matched with
6 federal medicaid funds. The statewide office on homelessness
7 and housing solutions may enter into memoranda of agreement with
8 the counties or specialized nonprofit organizations as necessary
9 to implement this section. The statewide office on homelessness
10 and housing solutions shall be exempt from chapters 103D and
11 103F, Hawaii Revised Statutes, in selecting a qualified
12 nonprofit organization to administer the supportive services
13 payments and may, without regard to chapter 91, Hawaii Revised
14 Statutes, establish rules and qualification standards for
15 participants of the supportive housing pilot program.

16 (f) The statewide office on homelessness and housing
17 solutions shall develop an information system for the
18 standardized collection of client-level data and data on the
19 provision of housing and supportive services to individuals and
20 families in need of or in supportive housing. The information



1 system shall be used to measure the need for supportive housing
2 and assess and improve the effectiveness of the pilot program.

3 (g) The Hawaii housing finance and development
4 corporation, Hawaii public housing authority, and statewide
5 office on homelessness and housing solutions shall submit a joint
6 interim report of findings and recommendations, including any
7 proposed legislation, regarding the supportive housing pilot
8 program to the legislature by December 1, 2024, and a joint
9 final report of findings and recommendations by December 1,
10 2025.

11 SECTION 3. There is appropriated out of the general
12 revenues of the State of Hawaii the sum of \$ or so
13 much thereof as may be necessary for fiscal year 2023-2024 to be
14 deposited into the rental housing revolving fund established in
15 section 201H-202, Hawaii Revised Statutes.

16 SECTION 4. There is appropriated out of the rental housing
17 revolving fund the sum of \$ or so much thereof as may
18 be necessary for fiscal year 2023-2024 for supportive housing
19 projects or supportive housing units in rental projects targeted
20 for special needs individuals and families who require



1 supportive services and with household incomes at or below
2 thirty per cent of the area median income.

3 The sum appropriated shall be expended by the Hawaii
4 housing finance and development corporation for the purposes of
5 this Act; provided that the appropriation shall not lapse at the
6 end of the fiscal biennium for which the appropriation is made;
7 provided further that any moneys not awarded as of June 30,
8 2025, may be used for other rental housing projects pursuant to
9 section 201H-202(e)(1), Hawaii Revised Statutes; provided
10 further that all moneys from the appropriation that are
11 unencumbered as of June 30, 2026, shall lapse on that date.

12 SECTION 5. There is appropriated out of the general
13 revenues of the State of Hawaii the sum of \$ or so
14 much thereof as may be necessary for fiscal year 2023-2024 for
15 contracts, not to exceed twenty years, with new supportive
16 housing rental projects or supportive housing rental units in
17 rental projects for project-based rent supplement payments for
18 the pilot program established by this Act.

19 The sum appropriated shall be expended by the Hawaii public
20 housing authority for the purposes of this Act; provided that
21 the appropriation shall not lapse at the end of the fiscal



1 biennium for which the appropriation is made; provided further
2 that all moneys from the appropriation that are unencumbered as
3 of June 30, 2026, shall lapse on that date.

4 SECTION 6. There is appropriated out of the general
5 revenues of the State of Hawaii the sum of \$ or so
6 much thereof as may be necessary for fiscal year 2023-2024 for
7 the provision of support services for qualified individuals and
8 families in new supportive housing.

9 The sum appropriated shall be expended by the statewide
10 office on homelessness and housing solutions for the purposes of
11 this Act; provided that the appropriation shall not lapse at the
12 end of the fiscal biennium for which the appropriation is made;
13 provided further that all moneys from the appropriation that are
14 unencumbered as of June 30, 2026, shall lapse on that date.

15 SECTION 7. There is appropriated out of the general
16 revenues of the State of Hawaii the sum of \$ or so much
17 thereof as may be necessary for fiscal year 2023-2024 for the
18 development of a supportive housing information system.

19 The sum appropriated shall be expended by the statewide
20 office on homelessness and housing solutions for the purposes of
21 this Act; provided that the appropriation shall not lapse at the



1 end of the fiscal biennium for which the appropriation is made;
2 provided further that all moneys from the appropriation that are
3 unencumbered as of June 30, 2026, shall lapse on that date.

4 SECTION 8. This Act shall take effect on July 1, 2050.



Report Title:

Statewide Office on Homelessness and Housing Solutions; Hawaii Housing Finance and Development Corporation; Hawaii Public Housing Authority; Supportive Housing Pilot Program; Rental Housing Revolving Fund; Appropriation

Description:

Establishes a supportive housing pilot program in the Statewide Office on Homelessness and Housing Solutions. Appropriates funds. Effective 7/1/2050. (SD2)

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