

## ACT 296

S.B. NO. 123

A Bill for an Act Relating to Housing.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. The legislature finds that the State must do more to help Hawaii's homeless to become more stable by providing assistance with health, housing, and social issues so that they may be able to obtain and retain permanent housing and maintain economic independence and self-sufficiency in the long-term. Programs designed to assist homeless persons are more effective and efficient when a continuum of programs is provided.

However, the safety net established to provide relief and recovery for Hawaii's homeless is eroding due to several funding issues.

Homeless shelters, the last safety net for families plunged into homelessness, may soon be unavailable to the homeless that they are meant to help. Seventy per cent of homeless families pay their program fees at homeless shelters with welfare benefits. The loss of those benefits when the five-year welfare clock runs out on most of these families will result in eviction for nonpayment of program fees, because homeless shelters cannot afford to operate without the combination of state homeless stipend and tenant program fees.

The demand for shelter services has increased over the years, while the state homeless programs' budget has sustained numerous across-the-board spending cuts. The state homeless programs' budget is \$1,300,000 less than it was in 1996. The grant program which is the primary strategy for homeless prevention is barely alive with a \$61,000 annual appropriation. Further, without additional funding to adequately support the efforts of the homeless providers, the outreach agencies and shelters will be forced to limit the numbers they serve or close their operations.

All of the shelters maintain a waiting list for services. There is little comfort to a homeless family or individual who is homeless to be added to a wait list when immediate relief is needed. Future plans for shelter development to meet the growing needs of the homeless include:

March 2001	Seventy-two units for homeless mentally ill at Barbers Point
March 2001	Thirty-six units for homeless families at Barbers Point
November 2001	Thirty plus units for homeless singles and families in Maui
2002	Thirty units for homeless families at Waianae, Hawaii

However, funding for operation of these additional shelter units has not been adequately addressed.

The purposes of this Act are to:

- (1) Restore adequate funding levels to the state homeless programs;
- (2) Maintain adequate funding to support much needed additional shelter inventory; and
- (3) Increase funding levels for homeless assistance, pursuant to chapter 201G, part IV, Hawaii Revised Statutes, by providing a deeper subsidy for those families losing their welfare benefits.

Under the latter proposal, shelters participating in the state stipend program will be able to provide shelter at little or no cost to families that have lost their welfare

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benefits; provided that the adults in the family commit to eighty per cent or better participation level in self-sufficiency programs and input/output agreements.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000, or so much thereof as may be necessary, for fiscal year 2001-2002 and the sum of \$100,000, or so much thereof as may be necessary, for fiscal year 2002-2003 to accomplish the purposes of this Act.

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

SECTION 4. This Act shall take effect on July 1, 2001.

(Approved June 28, 2001.)