

ACT 209

S.B. NO. 2401

A Bill for an Act Relating to Homelessness.

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

PART I

SECTION 1. Ohana is a group of closely- or distantly-related people who share nearly everything, from land and food to responsibility for taking care of children and elders. Members of an ohana, whether or not related by blood, treat each other as extended family and share generously with each other. The legislature finds that building upon this ethic of ohana presents an opportunity to improve the lives of people experiencing homelessness.

The legislature also finds that, while significant strides have been made, current attempts to address homelessness in Hawaii remain insufficient. Hawaii continues to have the highest number of individuals experiencing homelessness per capita of any state in the nation. The city and county of Honolulu, which has the highest number of individuals experiencing homelessness of any county in Hawaii, has seen the number of unsheltered individuals experiencing homelessness rise over the past five years and the number of people in shelters decline during the same period despite increased investment in shelters and enforcement.

Therefore, the legislature finds that addressing homelessness requires the courage to try something new. Last year, the legislature passed Act 212, Session Laws of Hawaii 2017, to create a working group to examine safe zones for people experiencing homelessness as one possible solution to the problem. Some stakeholders have expressed reservations about safe zones and have advised that scarce resources should not be diverted from the development of permanent housing. Unfortunately, the development of permanent housing takes time, and in the meantime, people experiencing homelessness will continue to live unsheltered and without adequate and meaningful access to social services.

In response to these concerns, some policymakers have expressed support for ohana zones, which are designed to assist individuals experiencing homelessness find and transition into permanent housing. The legislature finds that ohana zones have the potential to serve individuals experiencing homelessness

in a way that existing programs are currently unable. Ohana zones will have the goal of improving the health and well-being of individuals experiencing homelessness and providing access to needed services. The use of the term ohana is not meant to suggest that the use of an ohana zone is limited to nuclear families or people related by blood, but rather that an ohana zone provides a welcoming, safe haven where individuals experiencing homelessness and those who serve them treat each other as an extended family.

Because it is unclear what costs and benefits will accrue using the new model of an ohana zone, the legislature finds that these costs and benefits should be carefully studied, and that ohana zones should, at least initially, be temporary.

The purpose of this part is to establish a pilot program for the establishment of ohana zones, with the goal of improving the health and well-being of individuals experiencing homelessness and providing individuals experiencing homelessness with needed services.

SECTION 2. Definitions. For purposes of this part:

“Homeless” has the same meaning as defined in section 346-361, Hawaii Revised Statutes.

“Ohana zone” means a place:

- (1) That has a program to address basic needs of individuals experiencing homelessness; and
- (2) Where wrap-around services, social and health care services, transportation, and other services may be offered with the goals of alleviating poverty and transitioning individuals experiencing homelessness into affordable housing.

SECTION 3. (a) There is established the ohana zones pilot program to provide temporary housing and services to homeless individuals and families based on principles similar to the housing first program.

(b) The governor shall designate executive branch agencies to develop and implement the ohana zones pilot program, including an agency with specific expertise in construction development and an agency with specific expertise in administering homeless services. The governor, through the governor’s designated agencies, shall determine the number and locations of the ohana zones, which shall be situated on public lands; provided that the designated agencies shall identify at least three sites on Oahu and one site on each of the islands of Hawaii, Kauai, and Maui.

(c) The agencies designated pursuant to subsection (b) may coordinate with public or private entities, as appropriate, to develop and implement the ohana zones pilot program; provided that if any public land under the jurisdiction of a state or county agency is determined to be suitable for use as an ohana zone, the designated agencies shall:

- (1) Work with the appropriate state or county agency that controls the land to transfer the land designated for use as an ohana zone to an agency whose mission is more suited to the management of ohana zones; and
- (2) Work with the appropriate state or county agency that controls the land and its construction agency to ensure that an ohana zone’s infrastructure needs are met and minimize adverse impacts to the environment, including to nearshore resources such as corals, reef fish, and seabirds.

(d) The ohana zones pilot program may provide the following facilities and services at each ohana zone site:

- (1) Secure dwelling spaces that:

- (A) May be private or communal;
- (B) Have access to toilets, showers, and other hygiene facilities; and
- (C) Have access to an area for food storage and meal preparation;
- (2) Medical and social support services; and
- (3) Transportation to appointments related to medical care or supportive services that are not available onsite.

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

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

- (1) The criteria that the agencies will use to evaluate potential ohana zone locations;
- (2) A monthly timetable of milestones that the agencies expect to meet in establishing one or more ohana zones over the course of the three-year pilot program;
- (3) The specific, measurable, attainable, reasonable, and time-based performance measures that the agencies expect to meet at the end of each fiscal year;
- (4) The evaluation criteria and process that the agencies intend to use each year when reviewing the success and sustainability of the ohana zones; and
- (5) The monitoring and oversight controls that the agencies will have over the ohana zones to identify, address, and prevent possible fraud, waste, and abuse and ensure compliance with local, state, and federal laws.

(c) The governor's coordinator on homelessness shall compile and consolidate information from the agencies designated by the governor to effectuate this part and submit reports to the legislature no later than twenty days prior to the convening of the regular sessions of 2019, 2020, and 2021.

(d) The report submitted no later than twenty days prior to the convening of the regular session of 2019 shall include the following information:

- (1) A summary and explanation of the process that the agencies designated by the governor pursuant to the ohana zones pilot program engaged in to identify possible ohana zone locations; and
- (2) A summary of the information required under subsection (b).

(e) The reports submitted no later than twenty days prior to the convening of the regular sessions of 2020 and 2021 shall include the following information:

- (1) The milestones established pursuant to subsection (b) that were met by the agencies designated by the governor pursuant to the ohana zones pilot program and ohana zones established during the fiscal year;
- (2) An evaluation of the ohana zones to determine whether the objectives set have been met or exceeded;
- (3) Any proposed changes that need to be made to the performance measures used to assess the achievement of program goals; and
- (4) An assessment of the impact of the ohana zone model on the homelessness problem in Hawaii.
- (f) The pilot program shall cease to exist on June 30, 2021.

SECTION 5. There is appropriated out of the general revenues of the State of Hawaii the sum of \$30,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the establishment of the ohana zones pilot program and expenses related to facility construction, provision of services, staffing, and administrative costs.

The sum appropriated shall be expended by the office of the governor for the purposes of this part; provided that the governor shall transfer the expenditure authority to designated executive branch departments or agencies within a reasonable time.

Notwithstanding any other law to the contrary, the governor may transfer all or a portion of the appropriation in this section to the governor's designated executive branch agencies for expenditures incurred to implement the program.

The governor's designated executive branch agencies may expend any appropriation transferred pursuant to this section for the performance of its duties under the pilot program.

PART II

SECTION 6. The legislature finds that there is excessive utilization of hospital emergency department resources by homeless individuals for non-emergency needs. Many of these users are considered super utilizers if they visit the emergency department at least three times per week, are admitted to the hospital at least three times per month, or visit the emergency department at least twelve times per quarter, and suffer from mental health and substance abuse issues. According to 2015 data from the Hawaii Health Information Corporation, the billed charges for all homeless health care encounters that occurred in Hawaii hospitals was \$146,000,000. These encounters included repeat visits of, on average, two to three times.

The purpose of this part is to:

- (1) Establish and appropriate moneys for the emergency department homelessness assessment pilot program to identify individuals experiencing homelessness with the goal of providing case management to those who require supportive services and to demonstrate effectiveness in mitigating the increasing cost of medical care and unnecessary use of the hospital emergency department visits; and
- (2) Establish and appropriate moneys for the medical respite pilot program to offer medical, nursing, psychiatric, and other care for homeless individuals after being discharged from a hospital.

SECTION 7. (a) There is established within the department of human services a pilot program to be known as the emergency department homelessness assessment pilot program. The department of human services, in consultation with the Hawaii interagency council on homelessness and any other appropriate agency, shall serve as the administrator of the pilot program.

(b) The pilot program shall consist of multidisciplinary teams composed of but not limited to physicians, advanced practice registered nurses, social workers, and patient navigators who are employed by a participating hospital in the participating hospital's emergency department. The multidisciplinary team shall:

- (1) Identify patients who are experiencing homelessness or patients at risk of experiencing homelessness and have high utilization of emergency department services;
- (2) Assess the patient's current circumstances; and

- (3) Coordinate and refer these patients to appropriate and available wrap-around supports and community resources along the entire continuum of care with a goal of reducing costs associated with chronic use of hospital emergency departments.

(c) The department of human services shall work with the participating hospital under the emergency department homelessness assessment pilot program to collect and analyze data to be included in a report that contains a summary and explanation of the data regarding the efficacy of emergency department intervention by the multidisciplinary team in mitigating the number of unnecessary emergency department visits by patients experiencing homelessness or patients at risk of experiencing homelessness. The report shall contain findings and recommendations, including any proposed legislation, for continuation, modification, or termination of the pilot program. The department of human services shall submit the report to the legislature no later than twenty days prior to the convening of the regular session of 2019.

(d) The department of human services shall be exempt from chapter 103F, Hawaii Revised Statutes, in implementing this part.

(e) The emergency department homelessness assessment pilot program shall cease to exist on June 30, 2019.

SECTION 8. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the department of human services to establish the emergency department homelessness assessment pilot program; provided that:

- (1) The department of human services shall reimburse the participating hospital for expenses directly related to the emergency department homelessness assessment pilot program;
- (2) No funds shall be disbursed to a participating hospital unless matched on a dollar-for-dollar basis by the participating hospital; and
- (3) All funds designated as matching funds by the participating hospital shall be funds expended by the participating hospital for the pilot program.

The sum appropriated shall be expended by the department of human services for the purposes of this part.

SECTION 9. (a) There is established within the department of human services a pilot program to be known as the medical respite pilot program. The department of human services, in consultation with the Hawaii interagency council on homelessness and any appropriate agency, shall serve as the administrator of the pilot program.

(b) A participating community human services provider, in partnership with a hospital participating in the pilot program, shall provide emergency housing for eligible individuals experiencing homelessness who are discharged from the participating hospital and provide, at minimum, meals, case management, and medical, nursing, and psychiatric care. The medical respite facilities shall comply with the department of health's standards of accessibility, sanitation, and other requirements, as determined by the department of health for facilities of similar use.

(c) The department of human services shall submit a report to the legislature of its findings and recommendations, including any proposed legislation, regarding the pilot program no later than twenty days prior to the convening of the regular session of 2019.

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(d) The department of human services shall be exempt from chapter 103F, Hawaii Revised Statutes, in implementing this part.

(e) The medical respite pilot program shall cease to exist on June 30, 2019.

SECTION 10. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the department of human services to establish the medical respite pilot program; provided that:

- (1) The department of human services shall reimburse a participating hospital for expenses directly related to the medical respite pilot program;
- (2) No funds shall be disbursed to a participating hospital unless matched on a dollar-for-dollar basis by the participating hospital; and
- (3) All funds designated as matching funds by the participating hospital shall be funds expended by the participating hospital for the pilot program.

The sum appropriated shall be expended by the department of human services for the purposes of this part.

PART III

SECTION 11. There is appropriated out of the general revenues of the State of Hawaii the sum of \$800,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the department of human services to establish and administer a new family assessment center for homeless families that is in addition to any family assessment center for homeless families currently in existence.

The sum appropriated shall be expended by the department of human services for the purposes of this part.

PART IV

SECTION 12. There is appropriated out of the general revenues of the State of Hawaii the sum of \$400,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the department of health to continue administering the law enforcement assisted diversion pilot program; provided that the department of health shall establish one site located on the island of Maui for which the department shall receive \$200,000 of the sum appropriated in this section, and one site located on the island of Hawaii for which the department shall receive \$200,000 of the sum appropriated in this section.

The sum appropriated shall be expended by the department of health for the purposes of this part.

PART V

SECTION 13. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)