

AFFORDABLE HOUSING STOCK

Topic	What ultimately happened
Rental Housing Revolving Fund (RHRF)	\$300m in general funds appropriated to the RHRF in the CD2 of SB3048 , with up to \$150m of these funds able to be used for mixed-income rental projects for households 61-100% AMI.
Department of Hawaiian Homelands (DHHL)	<p>The CD1 of HB2511 appropriates \$600m to DHHL to address its waiting list, including to develop lots or units, to purchase land or units, and to provide mortgage or rental subsidies.</p> <p>There is a \$41.5m in GO bond allocation in the CD1 of the budget bill for the old Bowl-O-Drome property at 820 Isenberg Street in Honolulu for 278 affordable rental units for beneficiaries who are 30-100% AMI.</p>
\$ for the State Rent Supplement Program	An additional \$500k for the program was put in the CD1 of the budget bill, for a total of \$1.5m, as \$1m is needed each year to keep assisting the current program participants.
Expansion of TANF/TAONF rental subsidies	Funding for this expansion was put in the budget bill. Statutory language passed in HB2233 as the SD2, with the House agreeing to the Senate amendments at the last moment. Up to now, rental assistance for program participants has been limited to a one-time payment not to exceed two months worth of rent. With the passage of this bill and allocated funding, DHS will now be authorized to provide housing assistance subsidies of up to \$500/month to participants of the TANF/TAONF program who are also participating in the first-to-work program. Households can participate in the program for up to 5 years.
Ohana Zones pilot program	<p>HB2512, CD2 extends the current pilot sunset of 06/30/2023 by 3 years to 06/30/2026 and appropriates \$15m. Language is added to allow service recipients to request a 90-day extension of services, subject to approval by the site. Exemptions included in the CD2:</p> <ul style="list-style-type: none"> • Chapter 6E [historic preservation], excluding section 6E-43.6 [inadvertent discovery of burial sites] • Chapter 46 [county provisions], excluding sections 46-1.5(5)(D) [flood zones], 46-1.5(14)(A)(iii) [building inspection], 46-88(c)(5) [written notice to the county on proposed development], 46-88(j) [ensuring no exemptions that would jeopardize National Flood Insurance program requirements] • Chapter 103D [state public procurement code] • Chapter 103F [purchases of health & human services] • Chapter 343 [environmental impact statements]
Dwelling Unit Revolving Fund (DURF)	<p>\$20m in GO bonds in the budget bill (this was put into the budget already last year for FY23).</p> <p>SB3048, CD2 authorizes the transfer of excess funds from the RHRF to the DURF, as public financing of infrastructure needed for developments is allowable through the DURF but not the RHRF.</p>
Affordable homeownership revolving fund	\$5m in the CD1 of the budget bill.
Prioritize affordable housing on lands returned to state from federal gov't	SB2581 died in conference, didn't get \$ committee release.
\$ for development of supportive housing	HB1744 did not make it to conference as it did not get its last committee hearing. Showed up in the Senate draft of budget bill, but did not make it into budget CD1.

Rental subsidies specifically for kupuna	SB2677 died in conference, didn't get \$ committee release. Later drafts of this bill would have temporarily expanded the state rent supplement program to specifically serve those 62+ who are homeless or at imminent risk of becoming homeless.
DHHL housing development exemption from GET & use tax	SB1121 died in conference, didn't get \$ committee release. Cost savings on these taxes could have allowed the department to use saved money to develop more lots.

ADDRESSING UP-FRONT BARRIERS TO ACCESSING EXISTING RENTAL HOUSING

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Prohibiting voucher discrimination	<p>SB206, CD1 will prohibit discrimination based on source of income for only Section 8 Housing Choice Voucher programs and Permanent Supportive Housing programs starting on 05/01/2023. This will include discrimination in all stages of a rental transaction, including discrimination in advertisements and requiring different conditions for Section 8 or PSH tenants in comparison to other tenants. This does not prevent a landlord from verifying the source and amount of income or evaluating creditworthiness. This discrimination prohibition will not apply to:</p> <ul style="list-style-type: none"> • Landlords who own 4 or less units in the state or if a person owns 10% or less interest in more than 4 units in the state, • Landlords in a case where the source of income is not approved within 21-days of tenancy approval request, • In certain cases where the owner/lessor resides in a unit or room within the housing, and • Publicly subsidized affordable housing projects. <p>Remedies for violations are through civil action, with penalty up to \$2,000 for first violation and \$2,500 for subsequent violations. The court may order injunctive relief if see fit. No attorney's fees or costs may be awarded.</p> <p>To ensure that landlords know their responsibilities and tenants know their rights, HPHA & the Hawaii Civil Rights Commission will produce and distribute informational materials leading up to 05/01/2023 when the prohibition goes into effect.</p>
Landlord incentives for HPHA Section 8 HCVs	<p>HB1752, CD1 requires HPHA to adopt rules to establish certain incentives for landlords participating in its Section 8 HCV program. \$1.45m is appropriated for these incentives, which include:</p> <ul style="list-style-type: none"> • Reimbursement for the cost up to one months rent if the unit is vacant between rentals or when the landlord initially leases a unit up for a Section 8 tenant, • Signing bonuses of up to one months rent when a landlord first joins the Section 8 HCV program, provided that they do not also receive reimbursement under the first bullet point, and • Includes language to expand upon and fund HPHA's damage mitigation fund for tenant-caused unit damage repair costs that exceeds the security deposit. <p>In addition to these incentives, this measure requires HPHA to adopt or amend rules by no later than 07/01/2023 that establishes a 15-day maximum as a reasonable time to inspect a unit from the receipt of the owner's inspection request. \$50k is appropriated to HPHA for 2 FTE permanent housing quality standards inspectors to help fulfill this requirement.</p>
Regulating rental application fees	SB2877 died in conference, the House and Senate could not come to an agreement on the content of this measure. The Senate wanted to see form of cap included on the amount that could be charged for a fee, but the House did not want to include a cap.

ASSISTING TRANSITIONS FOR KEY HOMELESS SUB-POPULATIONS

Topic	What ultimately happened
Homeless triage center	<p>\$1.6m in GIA operating funding was awarded to IHS, which includes funds for the operation of the Homeless Triage and Transfer Program (HTTP). [GIA application funding request]</p>
Safe Spaces for Youth pilot program	<p>SB3235, CD1 establishes a Safe Spaces for Youth pilot program within DHS to provide safe spaces in each county for youth experiencing homelessness. This will be an inter-agency initiative, bringing together the relevant governmental agencies within the state and the counties to coordinate services, as well as contracting with nonprofits expert in this field to provide shelters for homeless youth. For the shelters, the contracted agency may admit youth for up to 90-days without parent or guardian consent. \$600k, including 1 FTE position, is appropriated for this program. The pilot program’s sunset date is 06/30/2025.</p>
Reentry supports	<p>HB2309, CD1 includes a few pieces, all of which are aimed at reducing recidivism and to support diversion, reentry, and rehabilitation services in the state:</p> <ul style="list-style-type: none"> • \$100k for DPS to purchase identification card machines • \$200k to the Hawaii Paroling Authority for development and maintenance of community housing for parolees • \$800k to DOH for a forensic peer specialist program to assess and treat incarcerated individuals with behavioral health, mental health, and substance use concerns <p>Each of the three agencies tasked and appropriated funding through this measure will submit a report to the Legislature ahead of the 2024 session to report on outcomes, findings, and recommendations.</p> <p>HB2169, CD1 clarifies DPS’ role in obtaining civil identification cards. This role is to assist incarcerated individuals with one year or less left before their parole or release date to obtain civil identification cards, assisting individuals to do this in collaboration with other appropriate governmental agencies. DPS and other appropriate agencies are to also inform individuals of availability of assistance in obtaining a variety of forms of identification that may be necessary for successful reentry. For individuals released to work furlough or other community placement programs, DPS should start this assistance with obtaining an ID at least 90-days prior to release by providing the individual with necessary forms. All forms that DPS provides related to civil identification are to be in the individual’s primary language.</p> <p>SB3294, CD1 appropriates \$200k to DPS for reentry planning circles for incarcerated individuals. These circles facilitate a solution-based reentry planning process that brings together inmates, their families, and prison staff.</p> <p>SB2637, CD1 mandates that there be a community-based work furlough program for incarcerated women in the state and appropriates \$1m to DPS for this purpose.</p>
Increasing the rate of compensation allowed for guardians ad litem (GALs)	<p>Both HB1841 and SB2740 that would have amended statute to be able to increase compensation rates died in conference. \$1.3m for GALs and court-appointed contracts was included in the CD1 of the judiciary budget bill HB1536, but cannot increase compensation rates through this budget bill, so this funding may be just for hiring more GALs and court-appointed counsel.</p>

Supportive housing task force	HB1749 did not receive its last committee hearing. This bill would have established a supportive housing task force to bring government, developers, service providers, and community members with lived experience together to address each counties supportive housing needs across a variety of populations. The main aims of the task force were to determine need through use of data collection and to work with developers and service providers to develop best practices that can be replicated. A supportive housing study was put into the Senate draft of the budget bill but this item did not make it into the CD1 version of the budget.
Crisis stabilization beds	SB2735 did not get hearings on the House side. This bill would have appropriated funding to AMHD to increase the number of behavioral health crisis stabilization beds statewide.

OTHER

Topic	What ultimately happened
Minimum wage & Earned Income Tax Credit (EITC)	<p>Both the minimum wage and the state EITC ended up in HB2510, CD1. For the EITC, this bill makes it refundable and permanent. For minimum wage, this bill incrementally increases the minimum wage in the following stages from the current \$10.10/hr:</p> <ul style="list-style-type: none"> • \$12/hr beginning 10/01/2022 • \$14/hr beginning 01/01/2024 • \$16/hr beginning 01/01/2026 • \$18/hr beginning 01/01/2028 <p>This measure increases the tip credit gap in the following stages from the current 75¢/hr:</p> <ul style="list-style-type: none"> • \$1.00/hr beginning 10/01/2022 • \$1.25/hr beginning 01/01/2024 • \$1.50/hr beginning 01/01/2028
Clarifying general excise tax (GET) law for nonprofits on gross income related to activities such as fundraising	SB3201 , CD1 shall make this clarification to align with federal law, taking effect on 01/01/2023 and sunseting on 12/31/2027.
Creation of the Office on Homelessness and Housing Solutions	SB2370 , CD1 establishes the Office on Homelessness and Housing Solutions, administratively situated within DHS, as a reorganization of the Office of the Governor’s Coordinator on Homelessness (GCH). This office will be led by the GCH, who will report directly to the Governor instead of the DHS Director. Staff allocated to this office will continue to be 5 FTE, but these positions will be converted to permanent positions instead of the current temporary exempt positions as the office will no longer be considered a special project. Funding is already allocated for this biennium for staff, which is why there is no funding within the bill for salaries at this time. The office will continue to coordinate among government, non-profits, and other entities to best address homelessness statewide, including through identifying gaps in the system, developing strategic plans, and developing and testing innovative solutions to prevent and end homelessness. The office will also establish and maintain a statewide homelessness and housing data clearinghouse. \$50k is appropriated for administrative costs.