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# A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING.

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

1 PART I

2 SECTION 1. Section 201G-1, Hawaii Revised Statutes, is  
3 amended as follows:

4 1. By adding a new definition to be appropriately inserted  
5 and to read:

6 "Relative caregiver" means a relative of a minor child by  
7 blood or marriage, who is a resident of the state and:

8 (1) Lives with the child; and

9 (2) Is the child's primary caregiver, whether formally or  
10 informally, because the biological or adoptive parents  
11 are unwilling or unable to serve as the primary  
12 caregiver for the child."

13 2. By amending the definition of "elder or elderly  
14 households" to read:

15 "Elder or elderly households" means households in which at  
16 least one member is sixty-two years of age, the spouse or  
17 partner has attained the age of majority, and the remaining  
18 members have attained the age of fifty-five years at the time of



1 application to the public housing project[-]; provided that for  
2 elders living in public housing at or before the effective date  
3 of this Act, it may also include households in which an elder is  
4 the relative caregiver for one or more minor children twelve  
5 years of age or younger. Such a child shall cease to be a  
6 resident of the household upon attaining the age of thirteen, or  
7 upon the removal from the project of the elder. A live-in aide  
8 shall cease to be a resident therein upon the recovery of, or  
9 removal from the project of, the elder."

10 SECTION 2. Section 201G-42, Hawaii Revised Statutes, is  
11 amended to read as follows:

12 "**§201G-42 Housing, tenant selection[-]; grandparents.** (a)

13 Subject to the [~~following~~] limitations and preferences[-] set  
14 forth in this section, the administration shall select tenants  
15 upon the basis of those in greatest need for such housing.

16 (b) The administration may limit the tenants of any  
17 housing project to classes of persons when required by federal  
18 law or regulation as a term or condition of obtaining assistance  
19 from the federal government.

20 (c) Within the priorities established by the  
21 administration recognizing need, veterans with a permanent  
22 disability of ten per cent or more as certified by the United



1 States Department of Veterans' Affairs, the dependent parents of  
2 the veteran, and the deceased veteran's widow shall be given  
3 first preference.

4 (d) Five per cent of state low-income public housing units  
5 shall be set aside as rentals for grandparents who are the  
6 primary caregiver for one or more of their grandchildren;  
7 provided that teacher housing under subpart G shall be  
8 excluded."

9 SECTION 3. Section 201G-152, Hawaii Revised Statutes, is  
10 amended by amending subsection (a) to read as follows:

11 "(a) In the administration of elder or elderly public  
12 housing, the administration shall observe the following with  
13 regard to resident selection, dwelling accommodations, and  
14 rentals:

15 (1) Except as hereinafter provided, it shall accept only  
16 elder or elderly households as residents in the elder  
17 or elderly public housing projects[+], except as  
18 provided in section 201G-42(d);

19 (2) It may accept as residents in any housing unit one or  
20 more persons, related or unrelated by marriage. It  
21 may also accept as a resident in any dwelling  
22 accommodation or in any elder or elderly public



1 housing project, in the case of illness or other  
2 disability of an elder who is a resident in the  
3 dwelling accommodation or in the elder or elderly  
4 public housing project, a person designated by the  
5 elder as the elder's live-in aide whose qualifications  
6 as a live-in aide are verified by the administration,  
7 although the person is not an elder; provided that the  
8 person shall cease to be a resident therein upon the  
9 recovery of, or removal from the elder or elderly  
10 public housing project of, the elder;

11 (3) It may rent or lease to an elder a dwelling  
12 accommodation consisting of any number of rooms as the  
13 administration deems necessary or advisable to provide  
14 safe and sanitary accommodations to the proposed  
15 resident or residents thereof without overcrowding;  
16 and

17 (4) Notwithstanding that the elder has no written rental  
18 agreement or that it has expired, so long as the elder  
19 continues to tender the usual rent to the  
20 administration or proceeds to tender receipts for rent  
21 lawfully withheld, no action or proceeding to recover  
22 possession of the dwelling unit may be maintained





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PART III

SECTION 6. There is appropriated out of the general revenues of the State of Hawaii the following sums for transitional housing:

- (1) The sum of \$ \_\_\_\_\_ or so much thereof as may be necessary for fiscal year 2006-2007 for design and construction of new transitional shelters, as defined in section 201G-451, Hawaii Revised Statutes; and
- (2) The sum of \$ \_\_\_\_\_ or so much thereof as may be necessary for fiscal year 2006-2007 for maintenance and repair of existing transitional shelters, as defined in section 201G-451, Hawaii Revised Statutes.

The sums appropriated shall be expended by the Hawaii public housing administration for the purposes of this part.

PART IV

SECTION 7. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ \_\_\_\_\_ or so much thereof as may be necessary for fiscal year 2006-2007 for support services for the homeless population located at homeless shelters.

The sum appropriated shall be expended by the Hawaii public housing administration for the purposes of this part.

PART V

SECTION 8. The shelter care plus program, under the U.S. Department of Housing and Urban Development, provides rental assistance for hard-to-serve homeless persons with disabilities in connection with supportive services funded from sources outside the program. The target population are those with serious mental illness, chronic problems with alcohol or drugs, or acquired immunodeficiency syndrome (AIDS or related diseases), and their families, who are living in places not intended for long-term human habitation, as in streets or emergency shelters. The program allows for a variety of housing choices and a range of supportive services funded by other sources, in response to the needs of the hard-to-reach homeless population with disabilities.

The purpose of this part is to provide state funding for the shelter plus care program.

SECTION 9. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ \_\_\_\_\_ or so much thereof as may be necessary for fiscal year 2006-2007 for the shelter plus care program.

The sum appropriated shall be expended by the Hawaii public housing administration for the purposes of this part.

1 PART VI

2 SECTION 10. There is appropriated out of the general  
3 revenues of the State of Hawaii the sum of \$ or so  
4 much thereof as may be necessary for fiscal year 2006-2007 for  
5 housing placement program for the homeless population.

6 The sum appropriated shall be expended by the Hawaii public  
7 housing administration for the purposes of this part.

8 PART VII

9 SECTION 11. There is appropriated out of the general  
10 revenues of the State of Hawaii the sum of \$ or so  
11 much thereof as may be necessary for fiscal year 2006-2007 for  
12 homeownership project of the Habitat for Humanity, to prevent  
13 homelessness.

14 The sum appropriated shall be expended by the Hawaii public  
15 housing administration for the purposes of this part.

16 PART VIII

17 SECTION 12. There is appropriated out of the general  
18 revenues of the State of Hawaii the sum of \$30,000,000 or so  
19 much thereof as may be necessary for fiscal year 2006-2007 for  
20 deposit into the rental housing trust fund under section  
21 201G-432, Hawaii Revised Statutes.





1 SECTION 15. The sum appropriated shall be expended by the  
2 Hawaii public housing administration pursuant to section 201G-  
3 113(e), Hawaii Revised Statutes, for the purposes of this part.

4 PART X

5 SECTION 16. The legislature finds that the current level  
6 of the rent supplement for eligible tenants is set at  
7 approximately \$168 per month. The legislature further finds  
8 that this amount is woefully inadequate.

9 The purpose of this part is to raise the State's rental  
10 income supplement under the state rental supplement program, and  
11 to include welfare recipients as being eligible for the program.

12 SECTION 17. Section 201G-233, Hawaii Revised Statutes, is  
13 amended to read as follows:

14 **"§201G-233 Qualified tenant defined.** As used in this  
15 subpart, the term "qualified tenant" means any single person or  
16 family, pursuant to criteria and procedures established by the  
17 administration, that has been determined to have an income not  
18 exceeding the very low income limit, exclusive of public  
19 assistance, as determined by the administration pursuant to  
20 rules adopted by the administration; provided that the qualified  
21 tenant's primary place of residence shall be in the State of  
22 Hawaii or that the qualified tenant intends to make the State of



1 Hawaii the qualified tenant's primary place of residence. The  
2 terms "qualified tenant" and "tenant" include a member of a  
3 cooperative who satisfies the foregoing requirements and who,  
4 upon resale of the member's membership to the cooperative, will  
5 not be reimbursed for more than fifty per cent of any equity  
6 increment accumulated through payments under this subpart. With  
7 respect to members of a cooperative, the terms "rental" and  
8 "rental charges" mean the charges under the occupancy agreements  
9 between the members and the cooperative. The term "qualified  
10 tenant" shall not include any person receiving money payments  
11 for public assistance from the department of human services;  
12 provided that the term "public assistance" shall exclude aid  
13 provided through the federal Supplemental Security Income  
14 Program."

15 SECTION 18. Section 201G-234, Hawaii Revised Statutes, is  
16 amended to read as follows:

17 **"§201G-234 Relationship of annual payment to rental and**  
18 **income.** The amount of the annual payment with respect to any  
19 dwelling unit shall not exceed the amount by which the fair  
20 market rental for that unit exceeds [~~thirty~~] \_\_\_\_\_ per cent of  
21 the tenant's income as determined by the administration pursuant  
22 to procedures and regulations established by it."



## PART XI

SECTION 19. Section 201G-3, Hawaii Revised Statutes, is amended as follows:

1. By amending subsection (a) to read:

"(a) There is created a board consisting of [~~nine~~] eleven members, of whom [~~eight~~] ten shall be public members appointed by the governor as provided in section 26-34. Public members shall be appointed from each of the counties of Honolulu, Hawaii, Maui, and Kauai. At least one public member shall be a person who is directly assisted by the administration under the federal low-rent public housing or federal section 8 tenant-based housing assistance payments program while serving on the board. One public member shall be an advocate for low-income persons or homeless persons. One public member shall be a person with a disability or an advocate for persons with disabilities. The public members of the board shall serve four-year staggered terms; provided that the initial appointments shall be as follows: three members to be appointed for four years; two members to be appointed for three years; and three members to be appointed for two years. The director of human services, or a designated representative, shall be an ex



1 officio voting member. The administration shall be headed by the  
2 board."

3 2. By amending subsection (c) to read:

4 "(c) [~~Five~~] Seven members shall constitute a quorum, whose  
5 affirmative vote shall be necessary for all actions by the  
6 administration. The members shall receive no compensation for  
7 services, but shall be entitled to necessary expenses, including  
8 travel expenses, incurred in the performance of their duties."

9 SECTION 20. Section 201H-3, Hawaii Revised Statutes, is  
10 amended as follows:

11 1. By amending subsection (a) to read:

12 "(a) There is created a board of directors of the Hawaii  
13 housing finance and development administration consisting of  
14 [~~nine~~] ten members, of whom [~~six~~] seven shall be public members  
15 appointed by the governor as provided in section 26-34. At  
16 least four of the public members shall have knowledge and  
17 expertise in public or private finance and development of  
18 affordable housing. One public member shall be an advocate for  
19 the homeless. Public members shall be appointed from each of the  
20 counties of Honolulu, Hawaii, Maui, and Kauai. At least one  
21 public member shall represent community advocates for low-income  
22 housing, affiliated with private nonprofit organizations that



1 serve the residents of low-income housing. The public members  
2 of the board shall serve four-year staggered terms; provided  
3 that the initial appointments shall be as follows:

- 4 (1) Two members to be appointed for four years;
- 5 (2) Two members to be appointed for three years; and
- 6 (3) Two members to be appointed for two years.

7 The director of business, economic development, and tourism and  
8 the director of finance, or their designated representatives, and  
9 a representative of the governor's office, shall be an ex officio  
10 voting member. The administration shall be headed by the board."

11 2. By amending subsection (c) to read:

12 "(c) [~~Five~~] Six members shall constitute a quorum, whose  
13 affirmative vote shall be necessary for all actions by the  
14 administration. The members shall receive no compensation for  
15 services, but shall be entitled to necessary expenses, including  
16 travel expenses, incurred in the performance of their duties."

17 PART XII

18 SECTION 21. Statutory material to be repealed is bracketed  
19 and stricken. New statutory material is underscored.

20 SECTION 22. This Act shall take effect upon its approval;  
21 provided that sections 5, 6, 7, 9, 10, 11, 12, and 13 shall take



1 effect on July 1, 2006; and provided further that sections 1-3  
2 and 17-20 shall take affect on July 2, 2006.



H. B. 2065 H.O.1

**Report Title:**

Affordable Housing; HCDCH

**Description:**

Requires public housing set asides for grandparents raising grandchildren. Appropriates funds for repair and maintenance of public housing, improvements to infrastructure for new and existing transitional housing, support services for affordable housing and homeless programs, and the Rental Housing Trust Fund. Authorizes the issuance of bonds for affordable housing. Allows public assistance recipients to receive rental income supplements. Increases rental income supplements. Modifies composition of the HPHA and HHFDA boards. (HB2065 HD1)

