LINDA LINGLE GOVERNOR



CHAD K. TANIGUCHI EXECUTIVE DIRECTOR

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STATE OF HAWAII

DEPARTMENT OF HUMAN SERVICES HAWAII PUBLIC HOUSING AUTHORITY 1002 NORTH SCHOOL STREET POST OFFICE BOX 17907 Honolulu, Hawaii 96817

Statement of **Chad K. Taniguchi** Hawaii Public Housing Authority Before the

SENATE COMMITTEE ON HUMAN SERVICES & PUBLIC HOUSING

February 7, 2008, 1:15 p.m. Room 016, Hawaii State Capitol

In consideration of S.B. 3172 RELATING TO RENTAL ASSISTANCE

The Hawaii Public Housing Authority (HPHA) provides the following <u>comments</u> on S.B. 3172:

Pursuant to Act 223, 2007, the HPHA increased the income limits for participation in the Rent Supplement Program (RSP) on January 1, 2008. In addition, the participation in the RSP was broadened by increasing the \$160 limitation on the subsidy amount to \$230 per month. Due to these changes, the HPHA projects that the \$1,000,000 appropriated for the program will be fully expended during the fiscal year with the current number of 394 participants plus about 15 more new participants by the end of Fiscal Year 2008. Challenges in previous years to expend RSP funds have been resolved.

HPHA has concerns regarding the provision in this bill allowing qualified applicants up to one hundred eighty days to secure a dwelling unit. This will make it difficult for HPHA to efficiently expend RSP funds, which was a particular concern of the Legislature in the past. In addition, it would create a level of uncertainty as to when funds would need to be available and when HPHA would be expected to start expending funds. HPHA will spend unnecessary staff time and the problem of unexpended funds will rise again.

Thank you for the opportunity to provide testimony.