
A BILL FOR AN ACT

RELATING TO HOUSING.

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

1 SECTION 1. The legislature finds that the cyclical nature
2 of poverty perpetuates a lifestyle that is inherited from
3 generation to generation. Families born into poverty appear
4 hopelessly caught in a self-fulfilling prophecy of welfare and
5 public housing.

6 The purpose of this Act is to break this vicious cycle by
7 restricting public housing tenancy, except in certain cases, to
8 no more than five years. Although this policy may appear harsh,
9 this Act is intended to:

- 10 (1) Encourage and motivate upward economic mobility from
11 low- to moderate-income for families who are overly
12 dependent on public housing;
- 13 (2) Promote integrity in the public housing system to
14 prevent "homesteading" and multi-generational tenancy;
15 and
- 16 (3) Increase the supply of low-income housing to address
17 the homeless problem in the state.



1 SECTION 2. Section 356D-43, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "[~~f~~]**\$356D-43**[~~f~~] **Rentals**[~~r~~]; **leases**. (a) Notwithstanding
4 any other law to the contrary, the authority shall fix the rates
5 of the rentals for dwelling units and other facilities in state
6 low-income housing projects provided for by this subpart, at
7 rates that will produce revenues that will be sufficient to pay
8 all expenses of management, operation, and maintenance,
9 including the cost of insurance, a proportionate share of the
10 administrative expenses of the authority to be fixed by it, and
11 the costs of repairs, equipment, and improvements, to the end
12 that the state low-income housing projects shall be and always
13 remain self-supporting. The authority, in its discretion, may
14 fix the rates in amounts as will produce additional revenues (in
15 addition to the foregoing) sufficient to amortize the cost of
16 the state low-income housing project or projects, including
17 equipment, over a period or periods of time that the authority
18 may deem advisable.

19 (b) Notwithstanding any other law to the contrary, if:

- 20 (1) Any state low-income housing project or projects have
21 been specified in any resolution of issuance adopted
22 pursuant to part I;



1 (2) The income or revenues from any project or projects
2 have been pledged by the authority to the payment of
3 any bonds issued under part I; or

4 (3) Any of the property of any state low-income housing
5 project or projects is security for the bonds,
6 the authority shall fix the rates of the rentals for dwelling
7 units and other facilities in the state low-income housing
8 project or projects so specified or encumbered at increased
9 rates that will produce the revenues required by subsection (a)
10 and, in addition, those amounts that may be required by part I,
11 by any resolution of issuance adopted under part I, and by any
12 bonds, ~~[or]~~ mortgage, or other security issued or given under
13 part I.

14 (c) No tenant, except for persons fifty-five years of age
15 and older, persons with a mental or physical disability, or
16 retired for medical reasons, shall rent, lease, or occupy any
17 dwelling for more than five years."

18 SECTION 3. This Act shall not apply to any lease entered
19 into before its effective date.

20 SECTION 4. Statutory material to be repealed is bracketed
21 and stricken. New statutory material is underscored.

22 SECTION 5. This Act shall take effect on July 1, 2020.



Report Title:

Low-income Housing; Rental Leases

Description:

Restricts state low-income housing leases in certain cases, to no more than 5 years. Effective 07/01/2020. (HB1692 HD2)

