
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 legislature further finds that this situation is not
7 unique to Hawaii and that the federal government has established
8 pilot programs to assist families in breaking the cycle of
9 public housing and welfare.

10 The purpose of this Act is to encourage families to move
11 out of public housing by:

12 (1) Restricting tenancy in a percentage of state public
13 housing dwelling units, except in certain cases, to no
14 more than five years; and

15 (2) Requiring the Hawaii public housing authority to
16 review federal pilot programs intended to break the
17 cycle of public housing and welfare, including related
18 support programs.

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

3 "[+]§356D-43[+] **Rentals[-]; 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 persons retired for medical reasons, shall rent, lease, or
17 occupy any dwelling unit for more than five years; provided that
18 this restriction shall apply to _____ per cent of state low-
19 income housing project dwelling units."

20 SECTION 3. The Hawaii public housing authority shall
21 review federal pilot programs intended to break the cycle of
22 public housing and welfare, including related support programs,

1 and shall report the findings and recommendations to the
2 legislature no later than twenty days prior to the convening of
3 the regular session of 2010.

4 SECTION 4. This Act shall not apply to any lease entered
5 into before its effective date.

6 SECTION 5. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

8 SECTION 6. This Act shall take effect on July 1, 2020.

Report Title:

Low-income Housing; Rental Leases

Description:

Restricts a percentage of state low-income housing leases, in certain cases, to no more than five years; requires the Hawaii public housing authority to review federal pilot programs intended to break the cycle of public housing and welfare, including related support programs. (SD1)