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Statement of
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Before the

HOUSE COMMITTEE ON HOUSING

February 2, 2011 8:30 A.M.
Room 325, Hawaii State Capitol

In consideration of
H.B. 1573
RELATING TO PUBLIC HOUSING

Madam Chair and Members of the House Committee on Housing, thank you for the opportunity to provide you with comments regarding House Bill 1573, relating to public housing.

Initially, the Hawaii Public Housing Authority (HPHA) would like to provide informational clarification to the Committee regarding the amount owed to the State of Hawaii by current and former public housing tenants. As of December 31, 2010, current and former tenants owed the HPHA \$842,986.78 for back rents, plus accrued interest charges amounting to \$594,410. Thus, rather than being owed more than \$2,000,000 as stated in the measure, the State is owed approximately \$1,437,396.

The HPHA appreciates the intent of this measure; however, we oppose enactment of the measure since it would be duplicative of existing HPHA policy and would make changes to eviction procedures which the HPHA is currently updating. As stated previously in testimony regarding House Bill 755, the HPHA is already undertaking to streamline eviction procedures for criminal and non-criminal lease violations, which would include the non-payment of rents. We have developed a methodology to effectuate these changes in the most open and expeditious manner allowed by state and federal law, and are committed to involving the public and our residents in this process.

The HPHA values legislative concern for strengthening the agency's ability to be self-sustaining, particularly with respect to collecting rents. As stated, we already pursue the collection of back rents, including interest accrued, and have been successful in recent months in improving collected rents. For example, in the month of December 2010, the HPHA collected 109.49% of rents and for the calendar year of 2010 we averaged 106.96% in collected rents. This reflects the successful collection of back rents and accrued interest. Therefore, it is the policy of the HPHA to operate in a self-sustaining

manner to the greatest extent feasible, and enactment of this measure is not necessary to allow the HPHA to continue this policy.

Further, the measure proposes to amend the HPHA's tenant selection procedures by modifying current preferences. The HPHA has already undertaken the federally required process to make these changes, which include permitting public comment, holding a public hearing, and amending its Public Housing Authority Annual Plan. While the HPHA appreciates legislative support in this endeavor, this measure would circumvent the processes involved, which are required by the Federal government, and could frustrate the agency's efforts to date.

The HPHA appreciates the opportunity to provide the House Committee on Housing with the agency's position opposing H.B. 1573. We respectfully request the Committee to hold this measure.
