

SAH - Subcontractors Association of Hawaii
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February 4, 2013

Testimony To: House Committee on Housing
Representative Rida T.R. Cabanilla, Chair

Presented By: Tim Lyons
President

Subject: H.B. 741 – RELATING TO THE DEFINITION OF PUBLIC HOUSING PROJECT

Chair Cabanilla and Members of the Committee:

I am Tim Lyons, President of the Subcontractors Association of Hawaii and we are not in favor of this bill. The Subcontractors Association of Hawaii is composed of the following nine separate and distinct subcontracting organizations which include:

HAWAII FLOORING ASSOCIATION
ROOFING CONTRACTORS ASSOCIATION OF HAWAII
HAWAII WALL AND CEILING INDUSTRIES ASSOCIATION
TILE CONTRACTORS PROMOTIONAL PROGRAM
PLUMBING AND MECHANICAL CONTRACTORS ASSOCIATION OF HAWAII
SHEETMETAL CONTRACTORS ASSOCIATION OF HAWAII
PAINTING AND DECORATING CONTRACTORS ASSOCIATION
PACIFIC INSULATION CONTRACTORS ASSOCIATION
ELECTRICAL CONTRACTORS ASSOCIATION OF HAWAII

It would appear that this bill provides for a further expansion of the current exemption from the Hawaii Procurement Code for Public Housing Authority projects by expanding the definition to include any federally assisted housing.

We were not in favor of the exemption to the Procurement Code and it has nothing to do with the Public Housing Authority. It is however, based on the fact that we believe that the Procurement Code was established in order to provide a set way of doing business with private contractors for all government agencies and as much as we oppose the procurement exemption for the University of Hawaii, we also oppose a similar exemption for the Public Housing Authority. Unfortunately, that law was passed last year and escaped us however, this year it appears that there is an attempt to expand that exemption and it is to that, that we are opposed.

Exemptions to the Code only provide confusion for private contractors who do not know and are not able to keep up with the many rules that a particular agency will have regarding how to do business with them. The Procurement Code, on the other hand, provides for a set way of doing business. There is a great deal of flexibility built into the Code so that agencies that have peculiarities in their method of procurement are able to have those peculiarities accommodated, again through a set procedure.

In conclusion, although we have nothing against the Public Housing Authority, we do not think that they or any other agency should be allowed an exemption to the Procurement Code.

Thank you.



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
HAWAII PUBLIC HOUSING AUTHORITY
1002 NORTH SCHOOL STREET
Honolulu, Hawaii 96817

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

Statement of
Hakim Ouansafi
Hawaii Public Housing Authority
Before the

HOUSE COMMITTEE ON HOUSING

February 4, 2013 8:45 A.M.
Room 329, Hawaii State Capitol

In consideration of
House Bill No. 741
Relating to the Definition of Public Housing Project

Honorable Chair and Members of the House Committee on Housing, thank you for the opportunity to provide you with comments regarding House Bill (H.B.) No. 741, relating to the definition of public housing project.

The Hawaii Public Housing Authority (HPHA) supports the enactment of this measure, which would expand the scope of the definition of "public housing project" to include any housing project controlled or managed by the HPHA pursuant to federally assisted housing.

Section 356D-1, Hawaii Revised Statutes (HRS), uses an inaccurate and overly limiting definition of the term "public housing project" for the purposes of the federal low-income public housing program. Under the U.S. Department of Housing and Urban Development (HUD) regulations, Public Housing Agencies (PHAs) are authorized to administer a variety of federally assisted housing beyond simply "public housing", such as project-based Section 8 Housing Choice Voucher buildings and housing funded through the United States Department of Agriculture. Since the HPHA is the only PHA in the State of Hawaii, the definition of public housing should correspond to the HUD definition of housing that might be administered by a PHA.

As currently written, the statute uses the term "federal low-rent public housing program", which does not accurately reflect the program as being income-based, hence the term "low-income public housing" which is based on HUD income limits, and not controlled rents. By linking the statutory definition to the HUD rule, any expansion or addition of federally assisted housing options to the HUD rule would be incorporated into the HPHA's program administration.

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The HPHA appreciates the opportunity to provide the House Committee on Housing with the agency's position regarding H.B. No. 741. We respectfully request the Committee to pass this measure favorably, and we thank you very much for your dedicated support.



WRITTEN ONLY

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

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February 4, 2013

TO: The Honorable Rida T.R. Cabanilla, Chair
House Committee on Housing

FROM: Patricia McManaman, Director

SUBJECT: **H.B. 741 – RELATING TO PUBLIC HOUSING**

Hearing: Monday, February 4, 2013; 8:45 a.m.
Conference Room 329, State Capitol

PURPOSE: The purpose of H.B. 741 is to expand the scope of the definition of "public housing project" to include any housing project controlled or managed by the Hawaii Public Housing Authority (HPHA) pursuant to federally assisted housing.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports this bill to expand the definition of "public housing project". Expanding the definition as proposed will enable the HPHA to manage additional publicly assisted properties, encouraging the increased development of the State's affordable housing stock, improving revenues for the agency thereby reducing required public funding, and allowing for more efficient housing development and management by the State.

The Administration has also proposed a bill, H.B. 885 that would expand the definition of "public housing project."

Thank you for the opportunity to provide testimony on this measure.