



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
HAWAII PUBLIC HOUSING AUTHORITY
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Statement of
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Before the

SENATE COMMITTEE ON WAYS AND MEANS

March 25, 2013 9:20 A.M.
Room 211, Hawaii State Capitol

In consideration of
House Bill No. 888, House Draft 2, Senate Draft 1
Relating to Disposition of Personal Property on Public Housing Properties

Honorable Chair Ige and Members of the Senate Committee on Ways and Means, thank you for the opportunity to provide you with comments regarding House Bill 888, House Draft (HD) 2, Senate Draft (SD) 1, relating to disposition of personal property on public housing properties.

The Hawaii Public Housing Authority (HPHA) supports the enactment of this measure, which would provide the HPHA with greater ability to dispose of seized or abandoned property in and around state public housing developments.

Currently, when a tenant vacates the HPHA's state low-income public housing developments, Hawaii Revised Statute 356D-56 requires that the HPHA retain possession of such personal articles for a period of four (4) months after termination of occupancy prior to disposing of them at auction. While the statute authorizes the HPHA to place a lien on the personal property and to recover fees relating to storage and repossession of the articles by the former tenant, costs incurred by this process far outweigh any benefits to the public. In practice, when a tenant has vacated their unit and has abandoned possessions at the HPHA's facilities, such possessions are of little value and it is more costly and onerous on state housing Asset Management Project (AMP) managers to process a lien, arrange storage, and follow the notice and auction processes required by current law.

The HPHA proposes a more streamlined process that takes into account the realities of the situation regarding abandoned property at state public housing projects. When a tenancy is terminated, it is either upon notice by the tenant or the authority in excess of thirty (30) days, or by eviction through the judicial eviction process. Both situations

provide the tenant with ample notice regarding potential loss of occupancy and with ample time to seek arrangements with HPHA AMP managers for the removal and storage of personal items. Requiring the HPHA to store items for four (4) months is a great administrative burden, and the sufficient costs on the agency are unlikely to be recovered from the abandoned or seized property. Furthermore, there is no onsite storage facility, and the abandoned property is left in the unit for four (4) months, which prevents a needy family that much longer from moving into public housing.

The proposal would enable the HPHA to reduce storage time, and related costs from 30 days, to five days prior to disposition. Further, it provides for the HPHA to follow different processes based on the estimated value of the abandoned or seized property, not requiring a public auction where the estimated value of the goods falls below five hundred dollars per item. This would save the HPHA all costs related to storage, notice, and disposition for abandoned articles considered "junk."

The HPHA appreciates the opportunity to provide the Senate Committee on Ways and Means with the agency's position regarding H.B. No. 888, HD2, SD1. We respectfully request the Committee to pass this measure favorably, and we thank you very much for your dedicated support.