



STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
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IN REPLY REFER TO:

Statement of
Ralph Mesick
Chair, Board of Directors
Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON FINANCE

April 2, 2014 at 2:00 p.m.
State Capitol, Room 308

In consideration of
S.B. 2799, S.D. 2, H.D. 1
RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION.

The HHFDC Board of Directors supports S.B. 2799, S.D. 2, H.D. 1, an Administration bill. S.B. 2799, S.D. 2, H.D. 1, authorizes the HHFDC Board of Directors to set the overall compensation of the HHFDC Executive Director, subject to a Legislative reporting requirement.

At the March 13, 2014, HHFDC Board of Directors meeting, the Board discussed this bill, as well as the counterpart bill, H.B. 2250, H.D. 2. The Board approved a motion as follows:

"That the Board recommend to the Legislature that the H.B. 2250, H.D. 2 language is the Board's preferred recommendation, but should it be the Legislature's intent to set a cap, then they recommend parity with the HPHA Executive Director."

S.B. 2799, S.D. 2, H.D. 1 is substantively similar in language to H.B. 2250, H.D. 2.

The ability to provide the Executive Director with a salary that is reasonable and not excessive is a critical governance tool for the HHFDC Board. Coupled with the existing oversight tools of establishing and monitoring goals and objectives and conducting annual performance evaluations, we believe the passage of S.B. 2799, S.D. 2, H.D. 1, will support HHFDC in meeting its housing mission.

Thank you for the opportunity to testify.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

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Statement of
Richard C. Lim
Director
Department of Business, Economic Development and Tourism
before the

HOUSE COMMITTEE ON FINANCE

April 2, 2014 at 2:00 p.m.
State Capitol, Room 308

In consideration of
S.B. 2799, S.D. 2, H.D. 1
**RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT
CORPORATION.**

Chair Luke, and Members of the House Committee on Finance.

DBEDT ***supports*** S.B. 2799, S.D. 2, H.D. 1, an Administration bill. S.B. 2799, S.D. 2, H.D. 1, authorizes the HHFDC Board of Directors to set the salary and overall compensation of the HHFDC Executive Director, subject to a Legislative reporting requirement.

Under current law, the HHFDC Board of Directors conducts an annual performance review of the Executive Director in order to set the salary level, up to the statutory maximum of eighty-five percent of the salary of the Director of the Department of Human Resources Development. This is the lowest of all state housing finance agencies nationwide. Passage of this bill would allow the HHFDC Board of Directors to set an appropriate compensation level for the current Executive Director and to attract and retain qualified individuals in the future.

DBEDT respectfully requests that the Committee pass this bill. Thank you for the opportunity to testify.