

Honolulu, Hawaii

March 3, 2016

RE: H.B. No. 2638
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2638, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC HOUSING,"

begs leave to report as follows:

The purpose of this measure is to amend the eligibility requirements and terms of tenancy for state low-income housing projects administered by the Hawaii Public Housing Authority (Authority) by:

- (1) Establishing a five-year maximum term of tenancy with rental rate fixed as a percentage of the tenant's income for individuals who are less than sixty-five years old and not disabled;
- (2) Requiring individuals subject to the five-year maximum tenancy term to participate in the Family Self Sufficiency Program and a trust savings account program, wherein the tenant's rental payments are deposited in a trust account administered by the Authority, matched with state funds, and released to the tenant upon vacation of the dwelling unit;
- (3) Conditioning the Authority's authorization to renovate and rent vacant dwelling units in state low-income housing projects on occupancy by individuals subject to the five-year maximum tenancy period;

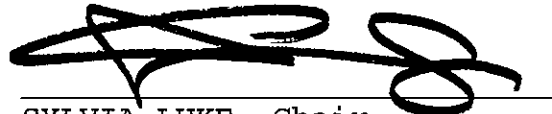


- (4) Authorizing the issuance of general obligation bonds to finance repair and maintenance of state low-income housing projects; and
- (5) Appropriating funds to the Department of Human Services for repair and maintenance of state low-income housing projects, provision of matching funds for tenant trust accounts, and establishment of positions in the Hawaii Public Housing Authority to manage trust account funds.

The General Contractors Association of Hawaii testified in support of this measure. An individual opposed this measure. The Governor's Coordinator on Homelessness, Department of Human Services, and Hawaii Public Housing Authority commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2638, H.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



SYLVIA LUKE, Chair



