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# A BILL FOR AN ACT

RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT  
CORPORATION BUDGET.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

**PART I**

SECTION 1. The purpose of this Act is to:

- (1) Establish, appropriate, or authorize additional operating budget amounts for the fiscal biennium beginning July 1, 2019 and ending June 30, 2021 for the Hawaii housing finance and development corporation; and
- (2) Establish the office of the housing advocate, which shall be funded by the dwelling unit revolving fund.

**PART II**

SECTION 2. DEFINITIONS. Unless otherwise clear from the context, as used in this part:

"Expending agency" means the department of business, economic development, and tourism.



1 Abbreviations, where used to denote the expending agency or  
2 a house of representatives standing committee, shall mean the  
3 following:

4 BED Department of business, economic development, and  
5 tourism

6 HSG House of representatives standing committee on housing

7 "Means of financing" or "MOF" means the source from which  
8 funds are appropriated or authorized to be expended for the  
9 programs and projects specified in this part. All  
10 appropriations are followed by letter symbols. The letter  
11 symbols, where used, shall have the following meanings:

12 W Revolving funds

13 "Program ID" means the unique identifier for the specific  
14 program and consists of the abbreviation for the organization  
15 responsible for carrying out the program followed by the  
16 organization number for the program.

17 SECTION 3. APPROPRIATIONS. The following sums, or so much  
18 thereof as may be sufficient to accomplish the purposes and  
19 programs designated herein, are hereby appropriated or  
20 authorized, as the case may be, from the means of financing  
21 specified to the expending agencies designated for the fiscal



1 biennium beginning July 1, 2019, and ending June 30, 2021. The  
2 total expenditures and the number of positions in each fiscal  
3 year of the biennium shall not exceed the sums and the position  
4 ceilings indicated for each fiscal year, except as provided  
5 elsewhere in this part or as provided by general law.



PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS			
				FISCAL YEAR 2019-2020	M O F	FISCAL YEAR 2020-2021	M O F
1.	BED160	HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION					
	OPERATING		BED	625,289W		690,289W	

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3



1 SECTION 4. Provided that of the revolving fund  
2 appropriations for the Hawaii housing finance and development  
3 corporation (BED160):

4 (1) The sum of \$228,048 or so much thereof as may be  
5 necessary for fiscal year 2019-2020 and the sum of  
6 \$285,048 or so much thereof as may be necessary for  
7 fiscal year 2020-2021 shall be expended to cover  
8 payroll and other current expenses in housing  
9 administration;

10 (2) The sum of \$81,891 or so much thereof as may be  
11 necessary for fiscal year 2019-2020 and the same sum  
12 or so much thereof as may be necessary for fiscal year  
13 2020-2021 shall be expended to cover increased payroll  
14 and other current expenses in housing development; and

15 (3) The sum of \$315,350 or so much thereof as may be  
16 necessary for fiscal year 2019-2020 and the sum of  
17 \$323,350 or so much thereof as may be necessary for  
18 fiscal year 2020-2021 shall be expended to cover  
19 increased payroll and other current expenses in  
20 housing finance.



1 SECTION 5. Provided that, with respect to the Hawaii  
2 housing finance and development corporation (BED160):

3 (1) Three full-time equivalent (3.0 FTE) permanent  
4 positions and four full-time equivalent (4.0 FTE)  
5 temporary positions shall be transferred from housing  
6 administration to housing development;

7 (2) One full-time equivalent (1.0 FTE) permanent position  
8 and one full-time equivalent (1.0 FTE) temporary  
9 position shall be transferred from housing development  
10 to housing administration; and

11 (3) One full-time equivalent (1.0 FTE) permanent position  
12 shall be transferred from housing finance to housing  
13 administration;

14 provided further that the employee shall be transferred without  
15 loss of salary, seniority (except as prescribed by applicable  
16 collective bargaining agreements), retention points, prior  
17 service credit, any vacation and sick leave credits previously  
18 earned, and other rights, benefits, and privileges, in  
19 accordance with state personnel laws and this part; provided  
20 further that the employee possess the minimum qualifications and  
21 public employment requirements for the class or position to



1 which transferred or appointed, as applicable; provided further  
2 that subsequent changes in status may be made pursuant to  
3 applicable civil service and compensation laws.

4 Any employee who, prior to this part, is exempt from civil  
5 service and is transferred as a consequence of this part may  
6 retain the employee's exempt status, but shall not be appointed  
7 to a civil service position as a consequence of this part. An  
8 exempt employee who is transferred by this part shall not suffer  
9 any loss of prior service credit, vacation or sick leave credits  
10 previously earned, or other employee benefits or privileges as a  
11 consequence of this part; provided that the employee possesses  
12 legal and public employment requirements for the position to  
13 which transferred or appointed, as applicable; provided further  
14 that subsequent changes in status may be made pursuant to  
15 applicable employment and compensation laws.

16 SECTION 6. If any portion of this part or its application  
17 to any person, entity, or circumstance is held to be invalid for  
18 any reason, then the legislature declares that the remainder of  
19 the part and each and every other provision thereof shall not be  
20 affected thereby. If any portion of a specific appropriation is  
21 held to be invalid for any reason, the remaining portion shall



1 be expended to fulfill the objective of the appropriation to the  
2 extent possible.

3 SECTION 7. If manifest clerical, typographical, or other  
4 mechanical errors are found in this part, the governor may  
5 correct the errors.

6 PART III

7 SECTION 8. The Hawaii Revised Statutes is amended by  
8 adding a new chapter to be appropriately designated and to read  
9 as follows:

10 "CHAPTER

11 HOUSING ADVOCATE

12 § -1 Office of the housing advocate; qualifications;  
13 duties. (a) There is established the office of the housing  
14 advocate, to be placed within the office of the governor, which  
15 shall be headed by the housing advocate and funded by the  
16 dwelling unit revolving fund. The housing advocate shall be  
17 appointed, without regard to section 26-34, by the governor to  
18 serve a term of four years concurrent with the term of the  
19 governor.

20 (b) The housing advocate shall develop, advocate for, and  
21 implement policies to solve Hawaii's housing shortage by:





- 1           (1) Analyzing solutions and programs to address the
- 2           State's need for housing that is affordable for all
- 3           economic segments of the State, including but not
- 4           limited to programs or proposals that provide for:
- 5           (A) Financing acquisition, rehabilitation,
- 6                 preservation, conversion, or construction of
- 7                 housing;
- 8           (B) Use of publicly owned land and buildings as sites
- 9                 for affordable housing;
- 10          (C) Identification of state and local regulatory
- 11                 barriers to the development and placement of
- 12                 housing;
- 13          (D) Stimulating public and private sector and
- 14                 intergovernmental cooperation in the development
- 15                 of housing;
- 16          (E) The equitable geographic distribution of housing
- 17                 for all economic segments;
- 18          (F) Examination of successful housing policies from
- 19                 jurisdictions across the country and the world,
- 20                 and how to adapt them to the State;



- 1 (G) Addressing the unique circumstances for special
- 2 needs populations;
- 3 (H) Provision of infrastructure for existing and
- 4 future housing needs;
- 5 (I) Preservation and enhancement of the character of
- 6 the State's unique cultures and communities;
- 7 (J) Correction of distortions in the housing market;
- 8 (K) Prevention of the erosion of housing stock due to
- 9 speculation, transient accommodations and short-
- 10 term vacation rentals, and other phenomena; and
- 11 (L) Addressing the diversity of communities across
- 12 the State;
- 13 (2) Considering homeownership and rental housing as viable
- 14 options for the provision of housing. The housing
- 15 advocate shall give consideration to various types of
- 16 residential construction and innovation housing
- 17 options, including but not limited to manufactured
- 18 housing;
- 19 (3) Reviewing, evaluating, and making recommendations
- 20 regarding existing and proposed housing programs and



- 1 initiatives, including but not limited to tax
- 2 policies, land use policies, and financing programs;
- 3 (4) Incorporating feedback and concerns from all
- 4 stakeholders in the State's housing crisis;
- 5 (5) Attracting and retaining future generations and
- 6 industries through the provision of abundant and
- 7 affordable housing; and
- 8 (6) Engaging and educating the public on housing policies
- 9 and programs."

10 SECTION 9. Section 201H-191, Hawaii Revised Statutes, is  
 11 amended by amending subsection (a) to read as follows:

12 "(a) There is created a dwelling unit revolving fund. The  
 13 funds appropriated for the purpose of the dwelling unit  
 14 revolving fund and all moneys received or collected by the  
 15 corporation for the purpose of the revolving fund shall be  
 16 deposited in the revolving fund. The proceeds in the revolving  
 17 fund shall be used [~~to~~]:

- 18 (1) To reimburse the general fund to pay the interest on
- 19 general obligation bonds issued for the purposes of
- 20 the revolving fund [~~for~~];





**Report Title:**

State Operating Budget; Housing; DBEDT; HHFDC; BED160; HSG;  
Housing Advocate; Office of the Housing Advocate; Dwelling Unit  
Revolving Fund

**Description:**

Appropriates funds for the fiscal biennium 2019-2021 operating budget of the Hawaii Housing Finance and Development Corporation. Establishes the office of the housing advocate to work with all state agencies that manage land to advocate for solutions to the State's housing shortage, and monitor, comment, and report on the State's production of affordable housing units, the development and implementation of laws, regulations, and policies relating to affordable housing. Effective 1/1/2050. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

