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# A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF HOUSING.

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

1           SECTION 1. The legislature finds that multiple state  
2 agencies are responsible for housing. This structure creates  
3 redundancies and bureaucracies that hinder the work of solving  
4 Hawaii's housing crisis. Accordingly, the purpose of this Act  
5 is to consolidate the Hawaii housing finance and development  
6 corporation, Hawaii community development authority, Hawaii  
7 public housing authority, and office of planning and sustainable  
8 development into a new department of housing.

9           SECTION 2. Chapter 26, Hawaii Revised Statutes, is amended  
10 by adding a new section to be appropriately designated and to  
11 read as follows:

12           "§26-       Department of housing. (a) The department of  
13 housing shall be headed by a single executive to be known as the  
14 director of housing.

15           (b) The department of housing shall:

16           (1) Be responsible for:





- 1        (2) Hawaii housing finance and development corporation;
- 2        (3) Office of planning and sustainable development;
- 3        (4) Hawaii public housing authority; and
- 4        (5) Any other agencies, boards, and commissions as shall
- 5                be provided by law."

6                SECTION 3. Section 26-4, Hawaii Revised Statutes, is  
7 amended to read as follows:

8                "**§26-4 Structure of government.** Under the supervision of  
9 the governor, all executive and administrative offices,  
10 departments, and instrumentalities of the state government and  
11 their respective functions, powers, and duties shall be  
12 allocated among and within the following principal departments  
13 that are hereby established:

- 14                (1) Department of human resources development (Section  
15                        26-5);
- 16                (2) Department of accounting and general services (Section  
17                        26-6);
- 18                (3) Department of the attorney general (Section 26-7);
- 19                (4) Department of budget and finance (Section 26-8);
- 20                (5) Department of commerce and consumer affairs (Section  
21                        26-9);



- 1 (6) Department of taxation (Section 26-10);
- 2 (7) University of Hawaii (Section 26-11);
- 3 (8) Department of education (Section 26-12);
- 4 (9) Department of health (Section 26-13);
- 5 (10) Department of human services (Section 26-14);
- 6 (11) Department of land and natural resources (Section
- 7 26-15);
- 8 (12) Department of agriculture (Section 26-16);
- 9 (13) Department of Hawaiian home lands (Section 26-17);
- 10 (14) Department of business, economic development, and
- 11 tourism (Section 26-18);
- 12 (15) Department of transportation (Section 26-19);
- 13 (16) Department of labor and industrial relations (Section
- 14 26-20);
- 15 (17) Department of defense (Section 26-21);
- 16 (18) Department of corrections and rehabilitation (Section
- 17 26-14.6); [~~and~~]
- 18 (19) Department of law enforcement (Section 26-14.8) [~~-~~];
- 19 and
- 20 (20) Department of housing (Section 26- ) ."



1 SECTION 4. Section 26-14, Hawaii Revised Statutes, is  
2 amended by amending subsection (d) to read as follows:

3 "(d) The [~~Hawaii public housing authority and the~~] Hawaii  
4 state commission on the status of women [~~are~~] is placed within  
5 the department of human services for administrative purposes  
6 only."

7 SECTION 5. Section 26-18, Hawaii Revised Statutes, is  
8 amended by amending subsection (b) to read as follows:

9 "(b) The following are placed in the department of  
10 business, economic development, and tourism for administrative  
11 purposes as defined by section 26-35: [~~Hawaii community  
12 development authority, Hawaii housing finance and development  
13 corporation,~~] Hawaii technology development corporation, natural  
14 energy laboratory of Hawaii authority, and any other boards and  
15 commissions as shall be provided by law."

16 SECTION 6. Section 26-52, Hawaii Revised Statutes, is  
17 amended to read as follows:

18 "**§26-52 Department heads and executive officers.** The  
19 salaries of the following state officers shall be as follows:

20 (1) The salary of the superintendent of education shall be  
21 set by the board of education. The superintendent



1 shall be subject to an annual performance evaluation  
2 that is in alignment with other employee evaluations  
3 within the department of education and are based on  
4 outcomes determined by the board of education;  
5 provided that nothing shall prohibit the board of  
6 education from conditioning a portion of the salary on  
7 performance;

8 (2) The salary of the president of the university of  
9 Hawaii shall be set by the board of regents;

10 (3) Effective July 1, 2004, the salaries of all department  
11 heads or executive officers of the departments of  
12 accounting and general services; agriculture; attorney  
13 general; budget and finance; business, economic  
14 development, and tourism; commerce and consumer  
15 affairs; corrections and rehabilitation; Hawaiian home  
16 lands; health; housing; human resources development;  
17 human services; labor and industrial relations; land  
18 and natural resources; law enforcement; taxation; and  
19 transportation shall be as last recommended by the  
20 executive salary commission. Effective July 1, 2007,  
21 and every six years thereafter, the salaries shall be



1 as last recommended by the commission on salaries  
2 pursuant to section 26-56, unless rejected by the  
3 legislature; and

4 (4) The salary of the adjutant general shall be \$85,302 a  
5 year. Effective July 1, 2007, and every six years  
6 thereafter, the salary of the adjutant general shall  
7 be as last recommended by the commission on salaries  
8 pursuant to section 26-56, unless rejected by the  
9 legislature, except that if the state salary is in  
10 conflict with the pay and allowance fixed by the  
11 tables of the regular Army or Air Force of the United  
12 States, the latter shall prevail."

13 SECTION 7. Section 225M-1, Hawaii Revised Statutes, is  
14 amended to read as follows:

15 "§225M-1 Purpose. The purpose of this chapter is to  
16 establish an office of planning and sustainable development to  
17 assist the governor; the director of housing; the director of  
18 business, economic development, and tourism; the legislature;  
19 and state and county agencies in maintaining an overall  
20 framework to guide the development of the State through a  
21 continuous process of comprehensive, long-range, and strategic



1 planning to meet the physical, economic, and social needs of  
2 Hawaii's people, and provide for the wise use of Hawaii's  
3 resources in a coordinated, efficient, and economical manner,  
4 including the conservation of those natural, environmental,  
5 recreational, scenic, historic, and other limited and  
6 irreplaceable resources which are required for future  
7 generations.

8 The establishment of an office of planning and sustainable  
9 development in the department of [~~business, economic~~  
10 ~~development, and tourism,~~] housing, for administrative purposes,  
11 is intended to:

- 12 (1) Fix responsibility and accountability to successfully  
13 carry out statewide planning programs, policies, and  
14 priorities;
- 15 (2) Improve the efficiency and effectiveness of the  
16 operations of the executive branch; and
- 17 (3) Ensure comprehensive planning and coordination to  
18 enhance the quality of life of the people of Hawaii."

19 SECTION 8. Section 356D-2, Hawaii Revised Statutes, is  
20 amended by amending subsection (a) to read as follows:





1           "(a) There is established the Hawaii public housing  
2 authority to be placed within the department of [~~human services~~]  
3 housing for administrative purposes only. The authority shall  
4 be a public body and a body corporate and politic."

5           SECTION 9. Sections 201H-2, 201H-3, 206E-3, 225M-2,  
6 225M-3, and 225M-4, Hawaii Revised Statutes, are amended by  
7 substituting the phrase "director of housing" wherever the  
8 phrase "director of business, economic development, and tourism"  
9 appears, as the context requires.

10          SECTION 10. Sections 201H-2, 206E-3, and 225M-2, Hawaii  
11 Revised Statutes, are amended by substituting the phrase  
12 "department of housing" wherever the phrase "department of  
13 business, economic development, and tourism" appears, as the  
14 context requires.

15          SECTION 11. All rights, powers, functions, and duties of:

- 16          (1) The department of business, economic development, and  
17               tourism relating to the Hawaii housing finance and  
18               development corporation pursuant to chapter 201H,  
19               Hawaii Revised Statutes; Hawaii community development  
20               authority pursuant to chapter 206E, Hawaii Revised  
21               Statutes; and office of planning and sustainable



1 development pursuant to chapter 225M, Hawaii Revised  
2 Statutes; and

3 (2) The department of human services relating to the  
4 Hawaii public housing authority pursuant to chapter  
5 356D, Hawaii Revised Statutes,  
6 are transferred to the department of housing.

7 All officers and employees whose functions are transferred  
8 by this Act shall be transferred with their functions and shall  
9 continue to perform their regular duties upon their transfer,  
10 subject to the state personnel laws and this Act.

11 No officer or employee of the State having tenure shall  
12 suffer any loss of salary, seniority, prior service credit,  
13 vacation, sick leave, or other employee benefit or privilege as  
14 a consequence of this Act, and the officer or employee may be  
15 transferred or appointed to a civil service position without the  
16 necessity of examination; provided that the officer or employee  
17 possesses the minimum qualifications for the position to which  
18 transferred or appointed; and provided that subsequent changes  
19 in status may be made pursuant to applicable civil service and  
20 compensation laws.



1           An officer or employee of the State who does not have  
2 tenure and who may be transferred or appointed to a civil  
3 service position as a consequence of this Act shall become a  
4 civil service employee without the loss of salary, seniority,  
5 prior service credit, vacation, sick leave, or other employee  
6 benefits or privileges and without the necessity of examination;  
7 provided that such officer or employee possesses the minimum  
8 qualifications for the position to which transferred or  
9 appointed.

10           If an office or position held by an officer or employee  
11 having tenure is abolished, the officer or employee shall not  
12 thereby be separated from public employment, but shall remain in  
13 the employment of the State with the same pay and classification  
14 and shall be transferred to some other office or position for  
15 which the officer or employee is eligible under the personnel  
16 laws of the State as determined by the head of the department or  
17 the governor.

18           SECTION 12. All rules, policies, procedures, guidelines,  
19 and other material adopted or developed by the transferred  
20 agencies to implement provisions of the Hawaii Revised Statutes  
21 that are reenacted or made applicable to the department of



1 housing by this Act shall remain in full force and effect until  
2 amended or repealed by the department of housing pursuant to  
3 chapter 91, Hawaii Revised Statutes. In the interim, every  
4 reference to the department of business, economic development,  
5 and tourism and department of human services as they pertain to  
6 the transferred agencies in those rules, policies, procedures,  
7 guidelines, and other material is amended to refer to the  
8 department of housing, as appropriate.

9 SECTION 13. All deeds, leases, contracts, loans,  
10 agreements, permits, or other documents executed or entered into  
11 by or on behalf of the department of business, economic  
12 development and tourism and the department of human services as  
13 they pertain to the transferred agencies pursuant to the  
14 provisions of the Hawaii Revised Statutes that are reenacted or  
15 made applicable to the department of housing by this Act shall  
16 remain in full force and effect. Upon the effective date of  
17 this Act, every reference to the department of business,  
18 economic development, and tourism and the department of human  
19 services as they pertain to the transferred agencies in those  
20 deeds, leases, contracts, loans, agreements, permits, or other



1 documents shall be construed as a reference to the department of  
2 housing.

3 SECTION 14. All appropriations, records, equipment,  
4 machines, files, supplies, contracts, books, papers, documents,  
5 maps, and other personal property heretofore made, used,  
6 acquired, or held by the department of department of business,  
7 economic development and tourism and the department of human  
8 services relating to the functions transferred to the department  
9 of housing shall be transferred with the functions to which they  
10 relate.

11 SECTION 15. Statutory material to be repealed is bracketed  
12 and stricken. New statutory material is underscored.

13 SECTION 16. This Act shall take effect upon its approval.

14

INTRODUCED BY: 



# S.B. NO. 68

**Report Title:**

Department of Housing; HCDA; HHFDC; OPSD; HPHA; Establishment;  
Transfer

**Description:**

Establishes the Department of Housing. Places the Hawaii Community Development Authority, Hawaii Housing Finance and Development Corporation, Office of Planning and Sustainable Development, and Hawaii Public Housing Authority within the Department of Housing for administrative purposes. Replaces the Director of Business, Economic Development, and Tourism with the Director of Housing on the Hawaii Community Development Authority.

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

