

**ACT 354**

S.B. NO. 776

A Bill for an Act Relating to Elderly Housing.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Part III of Chapter 359, Hawaii Revised Statutes, is repealed.

SECTION 2. Chapter 359G, Hawaii Revised Statutes, is amended by adding a new part to read as follows:

**“PART III. HOUSING FOR ELDERLY PERSONS**

**§359G-71 Definitions.** The following terms, wherever used or referred to in this part shall have the following respective meanings, unless a different meaning clearly appears from the context:

“Elderly person” means a person who is a bona fide resident of the State and who either:

- (1) Has attained the age of 62; or
- (2) Is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment

which can be expected to result in death or to be of long, continued, and indefinite duration; or

- (3) Has a physical impairment expected to be of long, continued and indefinite duration which substantially impedes the person's ability to live independently and which could be improved by more suitable housing and conditions.

"Housing project" or "project" shall include all real and personal property, buildings and improvements, offices, lands for gardening or farming, and community facilities acquired or constructed or to be acquired or constructed under this part to provide safe and sanitary dwelling accommodations for elderly persons. The terms may also be applied to the planning of the buildings and improvements, the acquisition of property, the demolition of existing structures, the construction, reconstruction, alteration, and repair of the improvements, and all other work in connection therewith under this part; and the terms shall include all other real and personal property and all tangible or intangible assets held or used in connection with a housing project developed or administered under this part.

**§359G-72 Elderly housing, priority.** The authority shall develop elderly housing projects which shall be deemed to have a priority in the State's overall housing development plans.

**§359G-73 Investigation of housing conditions.** The Hawaii housing authority may investigate housing and housing conditions of elderly persons throughout the several areas within the State where, in its opinion, a number of such persons may reside. In making the investigations in such areas and in making the findings or determinations that it is necessary or desirable that housing projects be developed by the authority within any such area or areas, the authority shall have all of the powers, privileges, and immunities that the authority has under sections 356-10 and 356-13.

**§359G-74 State assistance to public agencies and eligible developers and nonprofit corporations.** (a) The authority may provide assistance and aid to public agencies, eligible developers and nonprofit corporations in developing and constructing new housing projects and rehabilitating old housing for elderly persons of low income by making available loans from the elderly housing revolving fund, created by section 359G-79.

(b) State financial assistance granted to public agencies and eligible developers shall be in an amount not in excess of the development cost of the project. In anticipation of final payment of such financial assistance, the authority in accordance with such assistance, may make temporary advances to the public agencies and eligible developers for preliminary planning expense or other development cost of such project or projects.

(c) The authority may charge service fees and premiums upon the issuance of any interim construction loan under this section. The interest paid on such loans and service fees and premiums shall be paid into the elderly housing revolving fund created by section 359G-79.

(d) The rates of interest on loans secured and made under this part shall be established by the authority.

**§359G-75 Tenant selection; dwelling accommodations; rentals.** In the administration of housing projects, the Hawaii housing authority shall observe the following with regard to tenant selections, dwelling accommodations and rentals:

- (1) Except as hereinafter provided, it shall accept only elderly persons as tenants in the housing projects.

- (2) It may accept as tenants in any housing unit one or more persons, related or unrelated by marriage. It may also accept as a tenant in any dwelling accommodation or in any project, in the case of illness or other disability of an elderly person who is a tenant in the dwelling accommodation or in the project, a person designated by the elderly person as the elderly person's companion and who is approved by the authority, although the person is not an elderly person; provided that the person shall cease to be a tenant therein upon the recovery of, or removal from the project of, the elderly person.
- (3) It may rent or lease to an elderly person a dwelling accommodation consisting of any number of rooms as the authority deems necessary or advisable to provide safe and sanitary accommodations to the proposed occupant or occupants thereof without overcrowding.
- (4) Notwithstanding that the elderly person has no written rental agreement or that it has expired, so long as the elderly person continues to tender the usual rent to the authority or proceeds to tender receipts for rent lawfully withheld, no action or proceeding to recover possession of the dwelling unit may be maintained against the elderly person, nor shall the authority otherwise cause the elderly person to quit the dwelling unit involuntarily, demand an increase in rent from the elderly person, or decrease the services to which the elderly person has been entitled during hospitalization of the elderly person due to illness or other disability.

**§359G-76 Elderly housing revolving fund.** There is created an elderly housing fund in the State treasury. Notwithstanding any law to the contrary, funds appropriated for the purposes of this part and all moneys received or collected by the authority under provisions of this part shall be deposited into the elderly housing revolving fund. Funds may be further deposited into the elderly housing revolving fund from the dwelling unit revolving fund as prescribed under section 359G-10.

**§359G-77 Powers in addition to powers.** The powers conferred by this part shall be in addition and supplemental to the powers conferred by any other law, and nothing in this part shall be construed as limiting any other powers of the Hawaii housing authority.

**§359G-78 Rules.** The authority shall adopt rules pursuant to chapter 91 necessary for the purposes of this part.

**§359G-79 Funding for elderly housing projects.** The director of finance is authorized to issue general obligation bonds of the State. The proceeds from the sale of such bonds shall be deposited into the elderly housing fund created by section 359G-76 and shall be used for the purposes of this part. Pending the receipt of funds from the issuance and sale of such bonds, the amount required for the purposes of this part shall be advanced from the general fund of the State."

**SECTION 3.** There is appropriated out of the general revenues of the State of Hawaii the sum of \$1, or so much thereof as may be necessary which shall be deposited into the Elderly Housing Revolving Fund.

**SECTION 4.** This Act shall take effect upon its approval.

(Approved July 2, 1987.)