A Bill for an Act Relating to the Hawaii Public Housing Authority.

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

SECTION 1. Section 356D-31, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) In the operation or management of federal public housing projects, the authority [{-}], acting directly or by an agent or agents [-}], at all times shall observe the following duties with respect to rentals and tenant selection:

- (1) [H] The authority may establish maximum limits of annual net income for tenant selection in any public housing project, less [such] any exemptions as may be authorized by federal regulations pertaining to public housing. The authority may agree to conditions as to tenant eligibility or preference required by the federal government pursuant to federal law in any contract for financial assistance with the authority; [provided that not less than fifty per cent of available units shall be for applicants without preference and up to fifty per cent of available units shall be for applicants with preference;]
- (2) [H] The authority may rent or lease the dwelling units therein only at rentals within the financial reach of persons who lack the amount of income that [H] the authority determines to be necessary to obtain safe, sanitary, and uncongested dwelling accommodations within the area of operation of the authority and to provide an adequate standard of living; and
- (3) [H] The authority may rent or lease to a tenant a dwelling consisting of the number of rooms [f], but no greater number [f] that it], than the authority deems necessary to provide safe and sanitary accommodations to the proposed occupants thereof, without overcrowding."

SECTION 2. Section 356D-42, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

- "(a) The authority shall select tenants upon the basis of those in greatest need for the particular housing, subject to the following limitations and preferences:
 - (1) The authority may limit the tenants of any state low-income housing project to classes of persons when required by federal law or regulation as a term or condition of obtaining assistance from the federal government; [provided that not less than fifty per cent of available units shall be for applicants without preference and up to fifty per cent of available units shall be for applicants with preference;]
 - (2) Within the priorities established by the authority recognizing need, veterans with a permanent disability of ten per cent or more, as certified by the United States Department of Veterans Affairs, and their dependent parents, if any. The deceased veteran's [widow or widower] spouse shall be given first preference. Parents of veterans shall not use the veteran status of their adult child as a basis for preference; and
 - (3) Subject to any limitations set by federal law or regulation, the authority shall not select as a tenant, and may terminate the tenancy of, any person if the person or any household member owns or acquires a home within the State."

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval. (Approved June 21, 2023.)