

## GOV. MSG. NO. 810

#### EXECUTIVE CHAMBERS

HONOLULU

LINDA LINGLE GOVERNOR

July 13, 2009

The Honorable Colleen Hanabusa, President and Members of the Senate Twenty-Fifth State Legislature State Capitol, Room 409 Honolulu, Hawaii 96813

Dear Madam President and Members of the Senate:

I am transmitting herewith HB1692 HD2 SD2 CD1, without my approval, and with the statement of objections relating to the measure.

HB1692 HD2 SD2 CD1

A BILL FOR AN ACT RELATING TO HOUSING.

Sincerely,

LINDA LINGLE

# EXECUTIVE CHAMBERS HONOLULU July 13, 2009

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 1692

Honorable Members Twenty-Fifth Legislature State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 1692, entitled "A Bill for an Act Relating to Housing."

The purpose of this bill is to impose residency restrictions on the amount of time persons can reside in State public housing. The bill requires the Hawaii Public Housing Authority to conduct a pilot project at one of its State public housing sites, wherein occupancy will be limited to five years for current residents and seven years for new residents. The bill provides exemptions from the occupancy limits for persons fifty-five years of age and older, persons with a mental or physical disability, and persons retired for medical reasons.

This bill is objectionable because it treats like individuals in a disparate manner, making the State vulnerable to a legal challenge. A subset of existing public housing tenants will be singled out and be placed on a time clock of how long they will be allowed to reside in public housing. This will occur regardless of their ability to become self-sufficient, the availability of alternative housing, or the nature of the economic conditions that impact their ability to find alternate housing.

This bill also raises legal concerns in that the purpose section (section 1) encourages "families to move out of public housing," contrary to the requirements of section 515-3,

STATEMENT OF OBJECTIONS HOUSE BILL NO. 1692 Page 2

Hawaii Revised Statutes, which provides that it is a discriminatory practice, in part, to "discriminate against a person in the terms, conditions, or privileges of a real estate transaction" because of "familial status". Familial status discrimination is prohibited under Title VIII of the Civil Rights Act of 1968, as amended. The bill's narrow reference to families in describing the pilot project prescribed in this bill may render the Hawaii Public Housing Authority vulnerable to legal challenges related to fair housing laws.

For the foregoing reasons, I am returning House Bill No. 1692 without my approval.

Respectfully,

LINDA LINGLE

Governor of Hawaii



## A BILL FOR AN ACT

RELATING TO HOUSING.

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

- SECTION 1. The legislature finds that the cyclical nature

  of poverty perpetuates a lifestyle that is inherited from
- 3 generation to generation. Families born into poverty appear
- 4 hopelessly caught in a self-fulfilling prophecy of welfare and
- 5 public housing.
- 6 The legislature further finds that this situation is not
- 7 unique to Hawaii and that the federal government has established
- 8 pilot programs to assist families in breaking the cycle of
- 9 public housing and welfare.
- 10 The purpose of this Act is to encourage families to move
- 11 out of public housing by requiring that the Hawaii public
- 12 housing authority:
- 13 (1) Establish, beginning July 1, 2009, a pilot project in
- a state low-income housing project to be designated by
- the authority stipulating that no tenant in occupancy
- as of July 1, 2009, shall rent, lease, or occupy any
- dwelling unit for more than five consecutive years
- from that date; and no new tenant shall rent, lease,

HB1692 CD1 HMS 2009-4120

1		or occupy any dwelling unit for more than seven
2		consecutive years; provided that an exemption to these
3		occupancy time limits is provided for persons fifty-
4		five years of age and older, persons with a mental or
5		physical disability, or persons retired for medical
6		reasons;
7	(2)	Allow family members and medically necessary personal
8		care attendants to reside with persons exempt from the
9		occupancy time limit provisions;
10	(3)	Develop recommendations for a transition plan to
11		assist tenants in meeting the occupancy time limits,
12		including a review of federal pilot programs intended
13		to break the cycle of public housing and welfare and
14	1 p	related support programs;
15	(4)	Establish a working group to determine the site of the
16		pilot program and assist the authority in developing
17		recommendations for a transition plan; and
18	(5)	Report on the status of the pilot project to the 2010
19		and 2011 legislatures.
20	SECT	ION 2. (a) Beginning July 1, 2009, the Hawaii public
21	housing a	uthority shall establish a pilot project in a state

1	low-income	housing	project	to	be	designated	by	the	authority,	in
2	which:									

- 3 (1) No tenant in occupancy in the designated state low4 income housing project as of July 1, 2009, shall rent,
  5 lease, or occupy any dwelling unit for more than five
  6 consecutive years from July 1, 2009; and
- 7 (2) No new tenant in the designated state low-income
  8 housing project shall rent, lease, or occupy any
  9 dwelling unit for more than seven consecutive years
  10 from the date of the new tenant's initial occupancy of
  11 the unit;
- provided that this subsection shall not apply to persons fiftyfive years of age and older, persons with a mental or physical
  disability, or persons retired for medical reasons.
- (b) In implementing the pilot project, the authority shall include provisions to allow family members and medically necessary personal care attendants to reside with persons exempt from the occupancy time limits of subsection (a).
- 19 (c) The executive director of the authority shall
  20 establish and convene a working group including representatives
  21 from the authority and tenant associations of federal and state
  22 public housing projects. The working group shall determine a

HB1692 CD1 HMS 2009-4120

- 1 housing project to serve as the site of the pilot project. The
- 2 working group shall submit its determination of the pilot site
- 3 to the board of directors of the authority within sixty days of
- 4 the effective date of this Act. The working group shall also
- 5 assist the authority in developing recommendations for a
- 6 transition plan to assist tenants in meeting the occupancy time
- 7 limits in subsection (a). At minimum, a transition plan shall
- 8 include information to assist tenants in planning and budgeting,
- 9 such as annual rents and assessments for common area expenses,
- 10 as well as other information as may be appropriate. In
- 11 developing the recommendations for a transition plan, the
- 12 authority shall review federal pilot programs intended to break
- 13 the cycle of public housing and welfare, including related
- 14 support programs that may assist tenants in the transition from
- 15 state low-income housing projects to other housing.
- 16 (d) The authority shall report on the status of the pilot
- 17 project to the legislature, including any additional findings
- 18 and recommendations regarding the continuation of the pilot
- 19 project, and any proposed legislation or budget requests, no
- 20 later than twenty days prior to the convening of the regular
- 21 sessions of 2010 and 2011.
- 22 SECTION 3. This Act shall take effect on July 1, 2009.

HB1692 CD1 HMS 2009-4120