### A BILL FOR AN ACT

RELATING TO PUBLIC HOUSING.

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

- 1 SECTION 1. Section 356D-8, Hawaii Revised Statutes, is
- 2 amended to read as follows:
- 3 "[+]\$356D-8[+] Acquisition, use, and disposition of
- 4 property. (a) The authority may acquire any real or personal
- 5 property or interest therein by purchase, exchange, gift, grant,
- 6 lease, or other means from any person or government to provide
- 7 public housing. Exchange of real property shall be in
- 8 accordance with section 171-50.
- 9 (b) The authority may own or hold real property. All real
- 10 property owned or held by the authority shall be exempt from
- 11 mechanics' or materialmen's liens and also from levy and sale by
- 12 virtue of an execution, and no execution or other judicial
- 13 process shall issue against the property of the authority nor
- 14 shall any judgment against the authority be a charge or lien
- 15 upon its real property; provided that this subsection shall not
- 16 apply to nor limit the right of obliques to foreclose or
- 17 otherwise enforce any mortgage of the authority or the right of
- 18 obligees to pursue any remedies for the enforcement of any



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breage or	lien given by the authority on its rents, rees, or
revenues.	The authority and its property shall be exempt from
all taxes	and assessments.
(c)	The authority may lease or rent all or a portion of
any public	c housing project and establish and revise the rents or
charges [	therefor.]; provided that the authority shall:
(1)	Establish a schedule of minimum rents for state low-
	income housing units by number of bedrooms and type of
	project;
(2)	Charge no less than \$250 per month in rent for any
	state low-income housing unit; and
<u>(3)</u>	Annually adjust the minimum rent by the same
	percentage that the national average wage index
	increases over the prior year, if at all. For the
	purposes of this paragraph, the national average wage
	index shall be the national average wage index
	calculated by the United States Social Security
	Administration based on wages subject to federal
	income taxes and contributions to deferred
	compensation plans.
	revenues.  all taxes  (c)  any public  charges [:  (1)

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- 1 The authority may sell, exchange, transfer, assign, or pledge
- 2 any property, real or personal, or any interest therein to any
- 3 person or government.
- 4 (d) The authority may insure or provide for the insurance
- 5 of its property or operations against risks as it deems
- 6 advisable.
- 7 (e) The authority shall seek reimbursement from a tenant
- 8 for any and all costs incurred by the authority to repair
- 9 damages to the tenant's unit.
- 10 (f) The minimum rent set forth in subsection (c) shall not
- 11 apply if its application would disqualify the authority from
- 12 receiving federal funds or aid."
- 13 SECTION 2. Section 356D-42, Hawaii Revised Statutes, is
- 14 amended to read as follows:
- "[f] §356D-42[f] Housing; tenant selection. (a) Subject
- 16 to the following limitations and preferences, the authority
- 17 shall select tenants [upon the basis of those in greatest need]
- 18 for the particular housing. The authority may limit the tenants
- 19 of any state low-income housing project to classes of persons
- 20 when required by federal law or regulation as a term or
- 21 condition of obtaining assistance from the federal government.
- 22 [Within the priorities established by the authority recognizing



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- 1 need, veterans A veteran with a permanent disability of ten per
- 2 cent or more as certified by the United States Department of
- 3 Veterans Affairs, the dependent parents of the veteran, and the
- 4 <u>surviving spouse of a deceased [veteran's widow]</u> veteran shall
- 5 be given first preference.
- 6 (b) Notwithstanding subsection (a), the authority shall
- 7 not establish preferences for the selection of tenants."
- 8 SECTION 3. Section 356D-43, Hawaii Revised Statutes, is
- 9 amended by amending subsection (a) to read as follows:
- 10 "(a) Notwithstanding any other law to the contrary, the
- 11 authority shall fix the rates of the rentals for dwelling units
- 12 and other facilities in state low-income housing projects
- 13 provided for by this subpart, at rates that will produce
- 14 revenues that will be sufficient to pay all expenses of
- 15 management, operation, and maintenance, including the cost of
- 16 insurance, a proportionate share of the administrative expenses
- 17 of the authority to be fixed by it, and the costs of repairs,
- 18 equipment, and improvements, to the end that the state low-
- 19 income housing projects shall be and always remain self-
- 20 supporting[-]; provided that the rates of the rentals shall be
- 21 no less than the minimum rent set forth in section 356D-8. The
- 22 authority, in its discretion, may fix the rates in amounts as



- 1 will produce additional revenues (in addition to the foregoing)
- 2 sufficient to amortize the cost of the state low-income housing
- 3 project or projects, including equipment, over a period or
- 4 periods of time that the authority may deem advisable."
- 5 SECTION 4. Statutory material to be repealed is bracketed
- 6 and stricken. New statutory material is underscored.

7 SECTION 5. This Act shall take effect upon its approval.

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INTRODUCED BY:

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### Report Title:

Public Housing; Minimum Rent; Preferences

#### Description:

Requires the Hawaii public housing authority to establish a minimum rent schedule. Requires a minimum monthly rent of \$250 for state low-income housing units and annual adjustment of minimum rent based upon the national average wage index. Prohibits preferences for tenant selection.

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