## A BILL FOR AN ACT

RELATING TO PUBLIC HOUSING.

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

SECTION 1. Section 356D-8, Hawaii Revised Statutes, is
 amended to read as follows:

"[+]\$356D-8[+] Acquisition, use, and disposition of
property. (a) The authority may acquire any real or personal
property or interest therein by purchase, exchange, gift, grant,
lease, or other means from any person or government to provide
public housing. Exchange of real property shall be in
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 obligees 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 HB754 HD1 HMS 2011-2077 

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1	pledge or	lien given by the authority on its rents, fees, or
2	revenues.	The authority and its property shall be exempt from
3	all taxes	and assessments.
4	(c)	The authority may lease or rent all or a portion of
5	any publi	c housing project and establish and revise the rents or
6	charges [	therefor.]; provided that the authority shall:
7	(1)	Establish a schedule of minimum rents for state low-
8		income housing units by number of bedrooms and type of
9		project;
10	(2)	Charge no less than \$250 per month in rent for any
11		state low-income housing unit; and
12	(3)	Annually adjust the minimum rent by the same
13		percentage that the national average wage index
14		increases over the prior year, if at all. For the
15		purposes of this paragraph, the national average wage
16		index shall be the national average wage index
17		calculated by the United States Social Security
18		Administration based on wages subject to federal
19		income taxes and contributions to deferred
20		compensation plans.



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 The authority may insure or provide for the insurance (d) 5 of its property or operations against risks as it deems 6 advisable. 7 (e) The minimum rent set forth in subsection (c) shall not 8 apply if its application would disqualify the authority from 9 receiving federal funds or aid." 10 SECTION 2. Section 356D-42, Hawaii Revised Statutes, is 11 amended to read as follows: 12 "[+]§356D-42[+] Housing; tenant selection. Subject to the 13 following limitations and preferences, the authority shall 14 select tenants upon the basis of those in greatest need for the 15 particular housing. The authority may limit the tenants of any 16 state low-income housing project to classes of persons when required by federal law or regulation as a term or condition of 17 18 obtaining assistance from the federal government. Within the 19 priorities established by the authority recognizing need, 20 [veterans] a veteran with a permanent disability of ten per cent 21 or more as certified by the United States Department of Veterans 22 Affairs, the dependent parents of the veteran, and the surviving HB754 HD1 HMS 2011-2077 

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1 <u>spouse of a</u> deceased [<del>veteran's widow</del>] <u>veteran</u> shall be given
2 first preference."

3 SECTION 3. Section 356D-43, Hawaii Revised Statutes, is
4 amended by amending subsection (a) to read as follows:

5 "(a) Notwithstanding any other law to the contrary, the 6 authority shall fix the rates of the rentals for dwelling units 7 and other facilities in state low-income housing projects 8 provided for by this subpart, at rates that will produce 9 revenues that will be sufficient to pay all expenses of 10 management, operation, and maintenance, including the cost of 11 insurance, a proportionate share of the administrative expenses 12 of the authority to be fixed by it, and the costs of repairs, 13 equipment, and improvements, to the end that the state low-14 income housing projects shall be and always remain self-15 supporting[-]; provided that the rates of the rentals shall be 16 no less than the minimum rent set forth in section 356D-8. The authority, in its discretion, may fix the rates in amounts as 17 18 will produce additional revenues (in addition to the foregoing) 19 sufficient to amortize the cost of the state low-income housing 20 project or projects, including equipment, over a period or 21 periods of time that the authority may deem advisable."

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

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

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#### Report Title:

Public Housing; Minimum Rent; Preferences

#### Description:

Requires the Hawaii public housing authority to establish a minimum rent schedule for state low-income housing units. 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. (HB754 HD1)

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