

JAN 24 2013

A BILL FOR AN ACT

RELATING TO DEFINITION OF PUBLIC HOUSING PROJECT.

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

1 SECTION 1. Section 356D-1, Hawaii Revised Statutes, is
2 amended by amending the definition of "public housing project"
3 to read as follows:

4 "Public housing project", "housing project", or "complex"
5 means a housing project directly controlled, owned, developed,
6 or managed by the authority pursuant to ~~[the federal low-rent~~
7 ~~public]~~ any federally assisted housing program~~[-]~~ as defined at
8 24 C.F.R. section 5.100."

9 SECTION 2. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

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

12
13 INTRODUCED BY:



14 BY REQUEST

S.B. NO. 1116

Report Title:

Hawaii Public Housing Authority; Definition of Public Housing Project

Description:

Expands the definition of "public housing projects" to include all potential properties that could be managed by a public housing agency under HUD regulations.

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JUSTIFICATION SHEET

DEPARTMENT: Hawaii Public Housing Authority (Human Services)

TITLE: A BILL FOR AN ACT RELATING TO DEFINITION OF PUBLIC HOUSING PROJECT.

PURPOSE: To expand the definition of a public housing project under the jurisdiction of the Hawaii Public Housing Authority (HPHA) to include any federally assisted housing that can be administered by a public housing agency (PHA) under United States Department of Housing and Urban Development (HUD) regulations.

MEANS: Amend section 356D-1, Hawaii Revised Statutes (HRS).

JUSTIFICATION: Section 356D-1, HRS, currently uses an inaccurate and overly limiting definition of the term "public housing project" for the purposes of the federal low-income public housing program. Under HUD regulations, PHAs are authorized to administer a variety of federally assisted housing beyond simply "public housing", including project-based Section 8 Housing Choice Voucher buildings and housing funded through the United States Department of Agriculture, to name a few. Since the HPHA is the only PHA in the State of Hawaii, the definition of public housing should correspond to the HUD definition of housing that might be administered by a PHA.

The HPHA defines "Federally assisted housing" in the same way as HUD does at 24 C.F.R. §5.100, as housing that is assisted under any of the following HUD programs:

- (1) Public housing;
- (2) Housing receiving project-based or tenant-based assistance under section 8 of the U.S. Housing Act of 1937 (42

- U.S.C. §1437f) as it existed on July 19, 2012;
- (3) Housing that is assisted under section 202 of the Housing Act of 1959, as amended by section 801 of the National Affordable Housing Act (12 U.S.C. §1701q) as it existed on July 19, 2012;
 - (4) Housing that is assisted under section 202 of the Housing Act of 1959, as such section existed before the enactment of the National Affordable Housing Act as it existed on July 19, 2012;
 - (5) Housing that is assisted under section 811 of the National Affordable Housing Act (42 U.S.C. §8013) as it existed on July 19, 2012;
 - (6) Housing financed by a loan or mortgage insured under section 221(d)(3) of the National Housing Act (12 U.S.C. §1715 1 (d)(3)) that bears interest at a rate determined under the proviso of section 221(d)(5) of such Act (12 U.S.C. §1715 1 (d)(5)) as it existed on July 19, 2012;
 - (7) Housing insured, assisted, or held by HUD or by a State or local agency under section 236 of the National Housing Act (12 U.S.C. §1715z-1) as it existed on July 19, 2012; or
 - (8) Housing assisted by the Rural Development Administration under section 514 or section 515 of the Housing Act of 1949 (42 U.S.C. §1483, 1484) as it existed on July 19, 2012.

As currently written, the statute uses the term "federal low-rent public housing program", which does not accurately reflect the program as being income-based, hence the term "low-income public housing" based on HUD income limits, not controlled rents. By linking the statutory definition to the HUD rule, any expansion or addition of federally assisted housing options to the HUD rule would be incorporated into the HPHA's program administration.

Impact on the public: There should be a positive impact on the public as the HPHA would be enabled to manage additional publicly assisted properties, encouraging the increased development of the State's affordable housing stock, improving revenues for the agency thereby reducing required public funding, and allowing for more efficient housing development and management by the State.

Impact on the department and other agencies:
None.

GENERAL FUNDS: None.

OTHER FUNDS: Revolving funds.

PPBS PROGRAM
DESIGNATION: HMS 220; HMS 229.

OTHER AFFECTED
AGENCIES: None.

EFFECTIVE DATE: Upon approval.