

S.B. NO. 2799

JAN 23 2014

A BILL FOR AN ACT

RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION.

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

SECTION 1. Section 201H-2, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The corporation shall employ, exempt from chapter 76 and section 26-35(a)(4), an executive director and an executive assistant. The executive director shall be paid a salary ~~[not to exceed eighty five per cent of the salary of the director of human resources development.]~~ set by the board. The executive assistant shall be paid a salary not to exceed ninety per cent of the executive director's salary. The corporation may employ, subject to chapter 76, technical experts and officers, agents, and employees, permanent and temporary, as required. The corporation may also employ officers, agents, and employees, prescribe their duties and qualifications, and fix their salaries, not subject to chapter 76, when in the determination of the corporation, the services to be performed are unique and essential to the execution of the functions of the corporation. The corporation may call upon the attorney general for legal services as it may require. The corporation may delegate to one

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1 or more of its agents or employees its powers and duties as it
2 deems proper."

3 SECTION 2. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 3. This Act, upon its approval, shall take effect
6 on July 1, 2014.

7
8 INTRODUCED BY: Amie Mercado K.

9 BY REQUEST

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Report Title:

Hawaii Housing Finance and Development Corporation; Executive Director Salary

Description:

Authorizes the Hawaii Housing Finance and Development Corporation Board of Directors to set the salary of the Hawaii Housing Finance and Development Corporation Executive Director.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

JUSTIFICATION SHEET

DEPARTMENT: Business, Economic Development, and Tourism

TITLE: A BILL FOR AN ACT RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION.

PURPOSE: To authorize the Hawaii Housing Finance and Development Corporation (HHFDC) Board of Directors to set the salary of the HHFDC Executive Director position.

MEANS: Amend section 201H-2(b), Hawaii Revised Statutes.

JUSTIFICATION: The HHFDC is a comprehensive housing finance and development agency with 71 authorized positions and over \$1,000,000,000 in assets. The HHFDC's programs include the Low-Income Housing Tax Credit, Rental Housing Trust Fund, and Hula Mae Single and Multi-Family Revenue Bond programs. The Executive Director is the chief administrator of an agency that assisted in the development of 3,263 affordable units statewide over the last five years, and has an additional 4,827 units in the development pipeline.

The HHFDC Board of Directors conducts an annual performance review of the Executive Director in order to set the salary level, up to the statutory maximum. As of July 1, 2013, that maximum is eighty-five percent of the salary of the Director of the Department of Human Resources Development, or \$113,505.60. Passage of this bill would allow the HHFDC Board of Directors to set an appropriate compensation level to reflect the high level of responsibility the Executive Director position holds, and to attract and retain qualified individuals.

Impact on the public: None.

Impact on the department and other agencies:
Will improve agency's ability to recruit and retain administrators.

GENERAL FUND: None.

OTHER FUNDS: Dwelling Unit Revolving Fund, Housing
Finance Revolving Fund, Rental Assistance
Revolving Fund.

PPBS PROGRAM
DESIGNATION: BED 160.

OTHER AFFECTED
AGENCIES: None.

EFFECTIVE DATE: July 1, 2014.