### A BILL FOR AN ACT

RELATING TO THE HAWAII PUBLIC HOUSING AUTHORITY.

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

- SECTION 1. The purpose of this Act is to enhance the
   cleanliness, upkeep, and safety of federal and state low-income
- 3 public housing projects by authorizing the Hawaii public housing
- 4 authority to timely dispose of property abandoned, seized, or
- 5 remaining upon eviction in or around any federal, elder or
- 6 elderly housing, and state low-income housing projects.
- 7 SECTION 2. Chapter 356D, Hawaii Revised Statutes, is
- $oldsymbol{8}$  amended by adding two new sections to part I to be appropriately
- 9 designated and to read as follows:
- 10 "§356D-A Disposition of property abandoned, seized, or
- 11 remaining. (a) The authority may sell, donate, or otherwise
- dispose of property abandoned or seized in or at any public
- 13 housing project or elder or elderly housing, as defined in
- 14 section 356D-1, or state low-income housing project, as defined
- in section 356D-51, including property remaining upon eviction,
- 16 upon compliance with this section.
- 17 (b) If the abandoned or seized property has a value of
- 18 \$500 or more per item, as estimated at the discretion of the



1 authority, the authority shall send notice by certified mail, at 2 least five calendar days prior to disposition of the abandoned 3 or seized property, to the address of the owner of the property 4 abandoned or seized if the identity and address of the owner is 5 known or can be determined. The notice shall apprise the owner 6 of the identity and location of the property abandoned or seized 7 and of the intent of the authority to sell, donate, or otherwise 8 dispose of the property. If the identity or the address of the 9 owner is unknown or cannot be determined, the notice shall be 10 posted on the premises on which the property was abandoned or 11 seized. 12 If the abandoned or seized property has a value of 13 \$500 or more per item, as estimated at the discretion of the 14 authority, the authority shall also give public notice of the 15 disposition at least once countywide or in a publication of 16 local circulation in the county in which the property was **17** abandoned or seized; provided that the disposition shall take 18 place no fewer than ten days after notice of intent to dispose 19 of the property. 20 (d) The sale of abandoned or seized property having an

estimated value of \$500 or more per item, as estimated at the

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# H.B. NO. H.D. 2

- 1 discretion of the authority, shall be by public auction through
- 2 oral offers in the county in which the property was abandoned or
- 3 seized. If no bid is received, the property may be disposed of
- 4 as the authority deems appropriate.
- 5 (e) Any person entitled to the abandoned or seized
- 6 property determined to be of value may repossess the property
- 7 prior to its disposition upon proof of entitlement and payment
- 8 of all unpaid rent, debts, charges, and fines owed to the
- 9 authority and all handling, storage, appraisal, advertising, and
- 10 any other expenses incurred in connection with the proposed
- 11 disposition of the abandoned or seized property; provided that
- 12 the storage expense shall be not less than \$25 per day.
- 13 (f) The requirements of notice by certified mail, public
- 14 notice, and public auction pursuant to subsections (b), (c), and
- 15 (d) shall not apply when the value of the abandoned or seized
- 16 property is less than \$500 per item. Property valued at less
- 17 than \$500 per item may be disposed of as the authority deems
- 18 appropriate.
- 19 (q) The proceeds of the sale of property abandoned,
- 20 seized, or remaining upon eviction, after deduction of all
- 21 unpaid rent, debts, charges, and fines owed to the authority,

1 and all expenses of handling, storage, appraisal, advertising, 2 and other sale expenses, shall be first offset against any 3 amounts owed by the owner to the authority. 4 (h) When a tenant has quit the premises, as defined in 5 section 521-8, any property in or at the premises left unsold 6 after compliance with subsections (a) through (q), or otherwise 7 abandoned by the tenant and determined by the authority, in good 8 faith, to be of no value, may be disposed of at the authority's 9 discretion without liability to the authority. 10 \$356D-B Disposition of surplus proceeds. After the sale 11 of property abandoned or seized, including property remaining **12** upon an ordered eviction or writ of possession, the authority 13 shall apply the proceeds as provided in section 356D-A(g). If 14 the remaining balance is not claimed by the former tenant or 15 owner immediately after the sale, then that balance shall be 16 deposited into the authority's appropriate special fund. If 17 claimed by the former tenant or owner within six months after 18 the sale, the balance shall be paid to the former tenant or 19 owner. If after six months no claim is made, the sum shall 20 become a government realization to the special fund."

# H.B. NO. H.D. 2

1 SECTION 3. Section 356D-94, Hawaii Revised Statutes, is 2 amended to read as follows: 3 "[ $\{\}$ 356D-94[ $\}$ ] Eviction. (a) If it is proven to the 4 satisfaction of the eviction board that there is cause to 5 terminate a lease or rental agreement and evict the tenant, the 6 authority shall provide the tenant with a written notice of the 7 authority's decision to terminate the tenancy. The notice shall 8 inform the tenant that a writ of possession may be issued by the 9 authority within ten business days. The notice shall also 10 inform the tenant whether the grounds for eviction are 11 considered curable and, if so, what the tenant must do to remedy 12 the grounds, by when it must be done, and what the tenant must 13 do to document for the authority that the grounds have been 14 remedied. 15 (b) When the grounds for termination of the tenancy may be 16 cured by the tenant, the tenant shall have ten business days **17** from receipt of the notice provided for in subsection (a) to 18 cure the grounds. If the grounds are cured within the ten-day 19 period, no writ of possession may be issued. If the grounds are 20 not cured within the ten-day period, the authority may issue a

writ of possession forthwith.

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#### H.B. NO. 768 H.D. 2 S.D. 2

1	(c) The authority may adopt rules pursuant to chapter 91
2	to define curable and noncurable grounds for eviction. The
3	authority may consider a tenant's history in determining
4	noncurable grounds for eviction. A tenant's history may include
5	chronic or consistent delinquency, or repeated violations of the
6	terms of the rental agreement.
7	(d) Enforcement of the order by a writ of possession shall
8	be effected either by an officer appointed by the authority, who
9	shall have all of the powers of a police officer for all action
10	in connection with the enforcement of the order, or by a sheriff
11	or any other law enforcement officer of the State or any county,
12	whose duty it shall be to carry out the order. The person
13	enforcing the order shall remove all persons from the premises
14	and put the authority in full possession thereof.
15	[ <del>(e) Upon eviction, the household goods and personal</del>
16	effects of the person against whom the order is entered, and
17	those of any persons using the premises incident to the person's
18	holding, may be removed from the premises and stored by the
19	authority. If the action is taken, the authority shall have a
20	lien on the property so taken for the expenses incurred by it in
21	moving and storing the same, and the authority is authorized to

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    sell or otherwise dispose of the property if unclaimed after
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    thirty days.]"
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         SECTION 4. Section 356D-56.1, Hawaii Revised Statutes, is
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    repealed.
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         ["[$356D-56.1] Disposition of abandoned or seized
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    property. (a) The authority may sell, donate, or otherwise
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    dispose of property abandoned or seized in or around any state
    low-income housing project-upon compliance with the requirements
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    of this section.
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         (b) The authority shall send notice by certified mail, at
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    least five calendar days prior to disposition of the abandoned
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    or seized property, to the address of the owner of the property
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    abandoned or seized if the owner is known or can be determined.
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    The notice shall apprise the owner of the identity and location
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    of the property abandoned or seized and of the intent of the
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    authority to sell, donate, or otherwise dispose of the property.
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    If the identity or the address of the owner is unknown or cannot
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    be determined, the notice shall be posted on the premises on
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    which the property was abandoned or seized.
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         (c) If the abandoned or seized property has an estimated
    value of $500 or more per item, the authority shall also give
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### H.B. NO. H.D. 2 S.D. 2

1	public notice of the disposition at least once statewide or in a
2	publication of local circulation in the county in which the
3	property was abandoned or seized; provided that the disposition
4	shall not take place fewer than five days after the notice of
5	intent to dispose of the property. The value of the items shall
6	be estimated at the discretion of the authority.
7	(d) The sale of abandoned or seized property having an
8	estimated value of \$500 or more per item as estimated at the
9	discretion of the authority shall be by public auction through
10	oral offers in the county in which the property was abandoned or
11	seized. If no bid is received, the property may be disposed of
12	as the authority deems appropriate.
13	(e) Any person entitled to the abandoned or seized
14	property may repossess the property prior to its disposition
15	upon proof of entitlement and payment of all unpaid rent, debts,
16	charges, and fines owed to the authority and all handling,
17	storage (not less than \$25 per day), appraisal, advertising, and
18	any other expenses incurred in connection with the proposed
19	disposition of the abandoned or seized property.
20	(f) The requirement of public notice and public auction
21	pursuant to subsections (c) and (d) shall not apply when the

### H.B. NO. H.D. 2

1 value of the abandoned or seized property is less than \$500 per 2 item. Such property may be disposed of as the authority deems 3 appropriate. 4 (g) The proceeds of the sale of abandoned or seized 5 property, after deduction of all unpaid rent, debts, charges, 6 and fines owed to the authority, and all expenses of handling, 7 storage, appraisal, advertising, and other sale expenses, shall 8 be first offset against any amounts owed by the owner to the 9 State. Any amount remaining shall be held in trust for the 10 owner of the property for thirty days, after which time the 11 proceeds shall be paid into the authority's appropriate special 12 fund. 13 (h) The State, its officers, employees, and agents shall 14 not be liable to the owner of abandoned or seized property for 15 actions taken pursuant to this section."] 16 SECTION 5. Section 356D-57, Hawaii Revised Statutes, is 17 repealed. ["[\$356D-57] Disposition of surplus proceeds. After the 18 19 sale, the authority shall apply the proceeds as provided in 20 section 356D-56. The balance, if any remaining, shall be paid 21 over to the former resident or occupant. If the balance is not

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## H.B. NO. 768 H.D. 2

claimed by the former resident or occupant within thirty days 2 after the sale thereof, then the balance shall be paid over to 3 the director of finance and shall be kept by the director in a 4 special deposit for a period not to exceed six months. If 5 claimed by the former resident or occupant during that period, 6 it shall be paid to the former resident or occupant. If no 7 claim is made during the period, the sum shall become a 8 government realization and shall be paid into the general 9 fund." 10 SECTION 6. Section 356D-58, Hawaii Revised Statutes, is 11 repealed. 12 ["[\$356D-58] Lien attaches to personalty in possession. 13 Sections 356D-56 and 356D-57 shall also apply to any personal 14 property which, before May 2, 1949, was left in or about any 15 public housing project, and was taken into the possession of the 16 authority or its predecessor in interest, as herein set forth 17 and provided."] 18 SECTION 7. In codifying the new sections added by section

2 of this Act, the revisor of statutes shall substitute

appropriate section numbers for the letters used in designating

the new sections in this Act.

### H.B. NO. H.D. 2 S.D. 2

- 1 SECTION 8. Statutory material to be repealed is bracketed
- 2 and stricken. New statutory material is underscored.
- 3 SECTION 9. This Act shall take effect on July 1, 2050.

#### Report Title:

Hawaii Public Housing Authority; Disposition of Abandoned Property

#### Description:

Expands the Hawaii public housing authority's power to dispose of property seized, abandoned, or remaining upon eviction in and at public housing projects, elder or elderly housing, or state low-income housing projects. Effective 7/1/2050. (SD2)

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