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# A BILL FOR AN ACT

RELATING TO THE RENTAL ASSISTANCE PROGRAM.

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

1           SECTION 1. The legislature finds that the state rental  
2 assistance program administered by the Hawaii housing finance  
3 and development corporation provides qualified rental project  
4 owners with monthly rental assistance subsidies to assist  
5 eligible tenants to make their rental payments. The shallow,  
6 project-based rental assistance program subsidies have been  
7 effective in helping moderate income households at or below  
8 eighty per cent of the area median income to afford their rent  
9 payments, while providing sufficient rental income to ensure  
10 that the rental project remains economically feasible.

11           Over this program's lifespan, rental assistance subsidies  
12 were provided for 1,437 units in seventeen affordable rental  
13 projects statewide. As older project contracts have expired,  
14 and due to the lack of resources to enter into new project  
15 contracts, only ten projects remain in the program, with a total  
16 of 1,204 assisted units.



1           Accordingly, the purpose of this Act is to increase the  
2 number of low-income households with access to permanent  
3 affordable rental housing by:

- 4           (1) Increasing the minimum percentage of affordable units  
5           a rental housing project is required to maintain for  
6           eligible tenants; and
- 7           (2) Appropriating funds to be deposited into the rental  
8           assistance revolving fund to support new rental  
9           assistance program contracts.

10           SECTION 2. Section 201H-122, Hawaii Revised Statutes, is  
11 amended by amending the definition of "eligible project" to read  
12 as follows:

- 13           "Eligible project" means a rental housing project that:
- 14           (1) Is financed by the corporation pursuant to subpart B  
15           or D, or that the corporation determines will require  
16           rental assistance to make it financially feasible;
  - 17           (2) Is subject to a regulatory agreement with the  
18           corporation;
  - 19           (3) Maintains at least [~~twenty~~] thirty per cent of its  
20           units for eligible tenants; and



1 (4) Meets other qualifications as established by rules  
2 adopted by the corporation.

3 Notwithstanding any provision to the contrary, "eligible  
4 project" may also include a rental housing project that is  
5 financed by the corporation pursuant to subpart A."

6 SECTION 3. There is appropriated out of the general  
7 revenues of the State of Hawaii the sum of \$ or so much  
8 thereof as may be necessary for fiscal year 2018-2019 to be  
9 deposited into the rental assistance revolving fund established  
10 by section 201H-123, Hawaii Revised Statutes.

11 The sum appropriated shall be expended by the Hawaii  
12 housing finance and development corporation for the purposes of  
13 this Act.

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

16 SECTION 5. This Act shall take effect on January 1, 2050.



**Report Title:**

Affordable Rental Housing; Rental Assistance Program;  
Appropriation

**Description:**

Expands the rental assistance program by increasing the minimum percentage of affordable units a rental housing project is required to maintain for eligible tenants from 20% to 30%. Appropriates funds to support new rental assistance program contracts. (HB2745 HD1)

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

