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# A BILL FOR AN ACT

RELATING TO HOUSING ASSISTANCE.

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

1       SECTION 1. The legislature finds that it is vital to  
2       continue support for "shallow subsidy" programs such as the  
3       State's rent supplement program. These programs have immediate  
4       and longer-term benefits for the individuals and families they  
5       serve. Rent subsidies relieve the burden of the State's high  
6       cost of living by making up the shortfall between the amount  
7       that program participants can afford to pay and the market cost  
8       of rental housing units. As a result, financial resources freed  
9       up by the subsidy may then be spent on other essential living  
10      expenses such as food, medical care, transportation, and  
11      utilities. This preventive assistance helps low-income families  
12      avoid eviction and subsequent homelessness. ,

13      Under the rules of Hawaii's rent supplement program, the  
14      authorized range of rent supplement payments is \$25 to \$500 per  
15      month. The Hawaii public housing authority pays the subsidy  
16      directly to housing owners on behalf of participating tenants.  
17      To be eligible for the program, participants must meet income



1 and asset limits and comply with other requirements, such as  
2 refraining from drug-related or violent criminal activity.

3 The legislature also finds that the cost of funding the  
4 state rent supplement program is relatively low, considering the  
5 extent of its beneficial effects. As of October 2019, there  
6 were three hundred forty-five program participants. In fiscal  
7 year 2018-2019, the average monthly subsidy amount was \$410.  
8 However, it should be noted that only 49.5 per cent of program  
9 participants received the maximum allowable monthly subsidy of  
10 \$500 during the past fiscal year.

11 The legislature believes that, given the State's high-  
12 priced rental market, the reach of the state rent supplement  
13 program should be expanded so that more individuals and families  
14 can receive housing assistance in an expeditious manner.

15 The purpose of this Act is to:

- 16 (1) Add to the amount of funding previously appropriated  
17 for monthly housing subsidies under the state rent  
18 supplement program and specify that any funds  
19 appropriated shall be added to the base budget of the  
20 Hawaii public housing authority; and



(2) Establish additional staff positions for the State rent supplement program.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$5,000,000 or so much thereof as may be necessary for fiscal year 2020-2021 for monthly rent subsidies paid out of the state rent supplement program that is authorized under part VIII of chapter 356D, Hawaii Revised Statutes.

The sum appropriated shall be expended by the Hawaii public housing authority for the purposes of this Act and shall be in addition to moneys previously appropriated for fiscal year 2020-2021; provided that any funds appropriated pursuant to this section shall be included in the base budget of the Hawaii public housing authority.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ or so much thereof as may be necessary for fiscal year 2020-2021 for the establishment of full-time equivalent ( .0 FTE) staff positions for the state rent supplement program.

The sum appropriated shall be expended by the Hawaii public housing authority for the purposes of this Act.



1 SECTION 4. This Act shall take effect on July 1, 2050.



**Report Title:**

HPHA; Rent Supplement Program; Base Budget; Appropriation

**Description:**

Appropriates funds to the Hawaii Public Housing Authority for rent subsidy payments, which sums shall be added to the Authority's base budget, and additional staff. Effective 7/1/2050. (SD1)

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

