STAND. COM. REP. NO. 3

Honolulu, Hawaii

FEB 1 3 2019

RE: S.B. No. 351 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committee on Housing, to which was referred S.B. No. 351 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose and intent of this measure is to prohibit the advertising of the rental of a public housing unit under the Hawaii Public Housing Authority or housing subject to an owner or renter occupancy requirement, under the Hawaii Housing Finance and Development Corporation or Hawaii Community Development Authority.

Your Committee received testimony in support of this measure from the Hawaii Public Housing Authority. Your Committee received testimony in opposition to this measure from the Hawaii Housing Finance and Development Corporation. Your Committee received comments on this measure from the Hawaii Community Development Authority.

Your Committee finds that there are cases of individuals renting or subletting units that are public housing or housing that is under a rental agreement or a renter occupancy requirement. This practice allows individuals to financially gain from rental income derived from these units and also removes available housing stock from those who most need it, particularly one of the over 8,800 families who are on a waitlist for public housing. This measure promotes fairness in housing opportunities

by deterring those who are inclined to violate the occupancy limitations of these housing units.

Your Committee has amended this measure by:

- (1) Clarifying that a private project owner and its managing agents are not prohibited from advertising or publicizing a housing program under the Hawaii Housing Finance and Development Corporation;
- (2) Clarifying that a managing contractor or agent of the Hawaii Community Development Authority is not prohibited from advertising or publicizing a housing program under the Hawaii Community Development Authority;
- (3) As suggested by the Hawaii Public Housing Authority:
  - (A) Prohibiting the subletting of a public housing unit;
  - (B) Clarifying that the prohibition applies to federal and state public housing projects; and
  - (C) Clarifying that an authorized private management company is not prohibited from advertising, publicizing, or renting a public housing unit; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 351, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 351, S.D. 1, and be referred to your Committee on Judiciary.

Respectfully submitted on behalf of the members of the Committee on Housing,

STANLEY CHANG, Chair

## The Senate Thirtieth Legislature State of Hawai'i

## Record of Votes Committee on Housing HOU

Bill / Resolution No.:* Co	Committee Referral: Date: 110U, JDC 2/5/2019				
The Committee is reconsidering its previous decision on this measure.  If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
CHANG, Stanley (C)					_
KANUHA, Dru Mamo (VC)					
MORIWAKI, Sharon Y.					
THIELEN, Laura H.		$\sqrt{}$			
FEVELLA, Kurt					
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TOTAL		4	0	0	
Recommendation:					
Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

\*Only one measure per Record of Votes