

1 PART III

2 SECTION 4. The purpose of this part is to abolish the HPHA
3 administration revolving fund as recommended by the auditor in
4 auditor report no. 21-02.

5 SECTION 5. The HPHA administration revolving fund,
6 administratively established in 1982 and administered by the
7 Hawaii public housing authority, is abolished and all
8 unencumbered balances remaining shall lapse to the credit of the
9 general fund.

10 PART IV

11 SECTION 6. The legislature finds that the public housing
12 revolving fund was established in 2006 to support the activities
13 of the Hawaii public housing authority. Auditor report no.
14 21-02 found that the fund does not meet the criteria of a
15 revolving fund because it functions more like a special fund but
16 continues to serve the purpose for which it was originally
17 established. Accordingly, the auditor recommended that the fund
18 be reclassified as a special fund.

19 The purpose of this part is to reclassify the public
20 housing revolving fund from a revolving fund to a special fund
21 as recommended by the auditor in auditor report no. 21-02.



1 SECTION 7. Section 356D-11, Hawaii Revised Statutes, is
2 amended by amending subsection (h) to read as follows:

3 "(h) In connection with the development of any public
4 housing dwelling units under this chapter, the authority may
5 also develop commercial and industrial properties and sell or
6 lease other properties if it determines that the uses will be an
7 integral part of the public housing development or a benefit to
8 the community in which the properties are situated. The
9 authority may designate any portions of the public housing
10 development for commercial, industrial, or other use and shall
11 have all the powers granted under this chapter with respect
12 thereto. The authority may use any funding authorized under
13 this chapter to implement this subsection.

14 The net proceeds of all sales or leases, less costs to the
15 authority, shall be deposited in the public housing [~~revolving~~]
16 special fund established by section 356D-28."

17 SECTION 8. Section 356D-28, Hawaii Revised Statutes, is
18 amended to read as follows:

19 "§356D-28 Public housing [~~revolving~~] special fund. (a)
20 There is established the public housing [~~revolving~~] special fund
21 to be administered by the authority. Notwithstanding section



1 36-21, the proceeds in the fund shall be used for long-term and
2 other special financings of the authority and for necessary
3 expenses in administering this chapter.

4 (b) All moneys received and collected by the authority,
5 not otherwise pledged, obligated, or required by law to be
6 placed in any other special fund, shall be deposited into the
7 public housing [~~revolving~~] special fund."

8 PART V

9 SECTION 9. The purpose of this part is to repeal the state
10 low-income housing revolving fund as recommended by the auditor
11 in auditor report no. 21-02.

12 SECTION 10. Section 356D-45, Hawaii Revised Statutes, is
13 repealed.

14 [~~§356D-45~~] ~~State low-income housing revolving fund.~~
15 ~~There is established a revolving fund to be known as the state~~
16 ~~low-income housing revolving fund. Notwithstanding any law to~~
17 ~~the contrary, moneys received by the authority under or pursuant~~
18 ~~to this subpart, including refunds, reimbursements, rentals,~~
19 ~~fees, and charges received from tenants, shall be deposited in~~
20 ~~the state low-income housing revolving fund. Except as~~
21 ~~otherwise provided in this chapter, the state low-income housing~~



1 ~~revolving fund may be expended by the authority for any and all~~
2 ~~of the purposes of this subpart, including without prejudice to~~
3 ~~the generality of the foregoing, the expenses of management,~~
4 ~~operation, and maintenance of state low income housing projects,~~
5 ~~including but not limited to:~~

6 ~~(1) The cost of insurance, a proportionate share of the~~
7 ~~administrative expenses of the authority, and the cost~~
8 ~~of repairs, equipment, and improvement,~~

9 ~~(2) The acquisition, clearance, and improvement of~~
10 ~~property,~~

11 ~~(3) The construction and reconstruction of building sites,~~

12 ~~(4) The construction, reconstruction, repair, remodeling,~~
13 ~~extension, equipment, and furnishing of any state low-~~
14 ~~income housing project,~~

15 ~~(5) Administration and other expenses,~~

16 ~~(6) The payment of rentals, and~~

17 ~~(7) The development and administration of any state low-~~
18 ~~income housing project."]~~

19 SECTION 11. All unencumbered balances remaining in the
20 state low-income housing revolving fund repealed by section 10
21 of this Act shall lapse to the credit of the general fund.

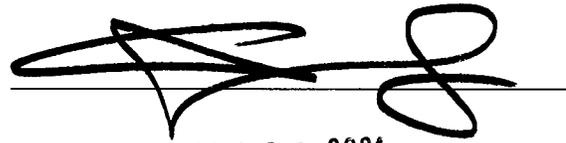
1 PART VI

2 SECTION 12. Statutory material to be repealed is bracketed
3 and stricken. New statutory material is underscored.

4 SECTION 13. This Act shall take effect on July 1, 2021.

5

INTRODUCED BY:

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JAN 26 2021



H.B. NO. 1114

Report Title:

HPHA; Non-General Funds; Repeal; Reclassification; Transfer of Balances

Description:

Repeals or reclassifies certain non-general funds of the Hawaii public housing authority pursuant to the recommendations of the auditor in auditor report no. 21-02.

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

