

DAVID Y. IGE GOVERNOR

July 12, 2022

HONOLULU

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirty-First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki, Speaker and Members of the House of Representatives Thirty-First State Legislature State Capitol, Room 431 Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on July 12, 2022, the following bill was signed into law:

HB1752 HD3 SD1 CD1

RELATING TO HOUSING. **ACT 287**

Sincerely,

DAVID Y. IGE

Governor, State of Hawai'i

Approved by the Governor JUL 1 2 2022

HOUSE OF REPRESENTATIVES THIRTY-FIRST LEGISLATURE, 2022 STATE OF HAWAII

ORIGINAL

ACT 287

H.B. NO. H.D. 3

A BILL FOR AN ACT

RELATING TO HOUSING.

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

1	PART I
2	SECTION 1. The legislature finds that Act 215, Session
3	Laws of Hawaii 2019 (Act 215), required the Hawaii public
4	housing authority to adopt rules, without regard to chapter 91,
5	Hawaii Revised Statutes, to establish a program to reimburse
6	landlords who participate in the section 8 housing choice
7	voucher program to cover repair costs of tenant-caused property
8	damage when the repair costs exceed the tenant's security
9	deposit. Act 215 also made an appropriation to the Hawaii
10	public housing authority for that purpose. On February 20,
11	2020, the Hawaii public housing authority board of directors
12	adopted a set of rules, entitled "Section 8 Housing Choice
13	Voucher Landlord Incentive Program Rules", that provide the
14	structure for this program.
15	The purpose of this part is to provide additional
16	incentives for landlords to participate in the section 8 housing

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choice vol	ıcher	program by providing financial protections for
those land	dlords	3.
SECT	ION 2.	Chapter 356D, Hawaii Revised Statutes, is
amended by	y addi	ng a new section to part I to be appropriately
designated	d and	to read as follows:
" <u>§35</u> (6D-	Housing choice voucher landlord incentive
program.	<u>(a)</u>	The authority shall adopt rules, without regard
to chapte:	r 91,	to establish the following incentives for
landlords	part:	cipating in the tenant-based assistance housing
choice vo	ucher	program under section 8 of the United States
Housing A	ct of	1937 (42 U.S.C. 1437f):
(1)	The .	landlord may be reimbursed up to one month of rent
	at t	ne contract rate when the dwelling unit sits
	vaca	nt:
	(A)	Between rentals to tenants participating in the
		section 8 housing choice voucher program; or
	<u>(B)</u>	When the landlord initially transitions the
		dwelling unit to a rental under the section 8
		housing choice voucher program; and
(2)	The	landlord may receive a signing bonus of up to one
	mont	h of rent at the contract rate when the landlord
	section amended by designated "\$350 program. to chapte: landlords choice void Housing A (1)	those landlords SECTION 2. amended by addidesignated and "\$356D- program. (a) to chapter 91, landlords part: choice voucher Housing Act of (1) The : at the vacan (A) (B)

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1	<u>f:</u>	irst joins the section 8 housing choice voucher
2	pı	rogram by entering into a contract with the authority
3	aı	nd securing a tenant participating in the section 8
4	ho	ousing choice voucher program for the dwelling unit;
5	pı	rovided that a landlord receiving the signing bonus
6	sl	hall not also receive reimbursement under paragraph
7	<u>(:</u>	1) (B).
8	(b) Ti	he incentives in subsection (a) shall supplement the
9	incentive of	ffered under the section 8 housing choice voucher
10	landlord in	centive program established pursuant to Act 215,
11	Session Law	s of Hawaii 2019, to reimburse landlords who
12	participate	in the section 8 housing choice voucher landlord
13	incentive p	rogram for repair costs of tenant-caused property
14	damage when	the repair costs exceed the tenant's security
15	deposit.	
16	(c) T	he following requirements shall apply to the
17	reimburseme	nt for repair costs:
18	<u>(1)</u> <u>T</u>	he landlord shall submit a claim to the authority
19	<u>w</u>	ithin thirty calendar days of the tenant vacating the
20	<u>d</u>	welling unit;

1	(2)	The authority may reimburse the landlord up to an
2		amount to be determined by the authority for verified
3		costs to repair the tenant-caused property damage,
4		subject to availability of funding; provided that the
5		costs of repair shall exceed the security deposit; and
6	(3)	Claims that exceed an amount to be determined by the
7		authority shall include an estimate from a licensed
8		contractor setting forth the costs to repair the
9		damages caused by the tenant to the dwelling unit."
10	SECT	ION 3. There is appropriated out of the general
11	revenues	of the State of Hawaii the sum of \$1,450,000 or so much
12	thereof a	s may be necessary for fiscal year 2022-2023 for the
13	cost of t	he incentives established pursuant to section 2 of this
14	Act and A	ct 215, Session Laws of Hawaii 2019, for landlords who
15	participa	te in the tenant-based assistance housing choice
16	voucher p	rogram under section 8 of the United States Housing Act
17	of 1937 (42 U.S.C. 1437f).
18	The	sum appropriated shall be expended by the Hawaii public
19	housing a	uthority for the purposes of this part.
20		PART II

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- 1 SECTION 4. The legislature finds that the administrative
- 2 rules applicable to section 8 housing choice voucher program
- 3 leases as administered by the Hawaii public housing authority
- 4 found at title 15, chapter 185, subchapter 3, Hawaii
- 5 Administrative Rules (sections 15-185-41 through 15-185-44,
- 6 Hawaii Administrative Rules) require dwelling units approved for
- 7 lease under the program to meet minimum housing quality
- 8 standards. Similar emergency rules were adopted for application
- 9 to the Hawaii public housing authority pursuant to sections 17-
- 10 2039-41 to 17-2039-44, Hawaii Administrative Rules. Prior to
- 11 approving a lease, the dwelling unit shall be inspected within a
- 12 reasonable time after receipt of the owner's inspection request.
- 13 In addition, the form of the lease shall comply with United
- 14 States Department of Housing and Urban Development regulations
- 15 and state and local law, specify utilities and appliances
- 16 supplied by the owner, and include a federally prescribed
- 17 tenancy addendum. If the dwelling unit is determined to be
- 18 suitable for the program and the lease meets specified
- 19 requirements of the program, the owner and tenant requesting to
- 20 lease the dwelling unit shall be notified and a contract shall
- 21 be executed.

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1	ine .	registatule fulther finds that specifying a maximum
2	number of	days within which the required inspection shall be
3	completed	will reflect the prioritization of increasing section
4	8 housing	availability and assure landlords and tenants of a
5	more expe	dited process. The legislature also finds that
6	creating t	targeted positions and appropriating funds for those
7	positions	are necessary to achieve timely inspections and a
8	better co	ordinated and more responsive program.
9	The p	purpose of this part is to:
10	(1)	Require the Hawaii public housing authority to adopt
11		or amend rules no later than July 1, 2023, to
12		establish a maximum of fifteen days after receipt of
13		an owner's or landlord's inspection request as a
14		reasonable time within which to inspect a dwelling
15		unit for lease under the section 8 housing choice
16		voucher program; and
17	(2)	Establish positions within the Hawaii public housing
18		authority and appropriate funds to ensure that
19		prospective dwelling unit inspections are completed
20		within fifteen days of receipt of a request for lease

1	approval and to facilitate various aspects of the
2	section 8 housing choice voucher program.
3	SECTION 5. No later than July 1, 2023, the authority shall
4	adopt or amend administrative rules, without regard to chapter
5	91, Hawaii Revised Statutes, to establish a maximum of fifteen
6	days after receipt of an owner's or landlord's inspection
7	request as a reasonable time within which to inspect a dwelling
8	unit for lease under the section 8 housing choice voucher
9	program.
10	SECTION 6. There is appropriated out of the general
11	revenues of the State of Hawaii the sum of \$50,000 or so much
12	thereof as may be necessary for fiscal year 2022-2023 for two
13	full-time equivalent (2.00 FTE) permanent housing quality
14	standards inspector II positions within the Hawaii public
15	housing authority to facilitate, coordinate, and monitor
16	inspections of dwelling units that are the subject of
17	applications for the section 8 housing choice voucher program,
18	and handle related duties.
19	The sum appropriated shall be expended by the Hawaii public
20	housing authority for the purposes of this part.
21	PART III

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- 1 SECTION 7. New statutory material is underscored.
- 2 SECTION 8. This Act shall take effect on July 1, 2022.

APPROVED this 12th day of July

, 2022

GOVERNOR OF THE STATE OF HAWAI

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 3, 2022 Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-First Legislature of the State of Hawaii, Regular Session of 2022.

Ban

Scott K. Saiki Speaker House of Representatives

Brian L. Takeshita

The L. I Robe

Chief Clerk

House of Representatives

THE SENATE OF THE STATE OF HAWAI'I

Date: May 3, 2022 Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-First Legislature of the State of Hawai'i, Regular Session of 2022.

President of the Senate

Clerk of the Senate