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# A BILL FOR AN ACT

RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT  
CORPORATION.

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

1           SECTION 1. Section 201H-2, Hawaii Revised Statutes, is  
2 amended by amending subsections (b) and (c) to read as follows:

3           "(b) [The] Notwithstanding any law to the contrary, the  
4 corporation shall employ an executive director who shall be  
5 nominated and, by and with the advice and consent of the senate,  
6 appointed by the governor without regard to chapter 76, and who  
7 shall serve at the pleasure of the governor.

8           The executive director shall employ, exempt from chapter 76  
9 and section 26-35(a)(4), [an executive director and] an  
10 executive assistant. The executive director shall be paid a  
11 salary not to exceed the salary of the director of business,  
12 economic development, and tourism. The executive assistant  
13 shall be paid a salary not to exceed ninety per cent of the  
14 executive director's salary. The corporation may employ,  
15 subject to chapter 76, technical experts and officers, agents,  
16 and employees, permanent and temporary, as required. The



1 corporation may also employ officers, agents, and employees,  
 2 prescribe their duties and qualifications, and fix their  
 3 salaries, not subject to chapter 76, when in the determination  
 4 of the corporation, the services to be performed are unique and  
 5 essential to the execution of the functions of the corporation.  
 6 The corporation may call upon the attorney general for legal  
 7 services as it may require. The corporation may delegate to one  
 8 or more of its agents or employees its powers and duties as it  
 9 deems proper.

10 (c) The [~~board~~] executive director shall submit a report  
 11 to the legislature no later than twenty days prior to the  
 12 convening of the regular session immediately following each  
 13 adjustment of salary of the executive director."

14 SECTION 2. Section 201H-3, Hawaii Revised Statutes, is  
 15 amended by amending subsection (a) to read as follows:

16 "(a) There is created a board of directors of the Hawaii  
 17 housing finance and development corporation [~~consisting~~] that  
 18 shall advise the executive director in carrying out the purposes  
 19 of this chapter. The board shall consist of nine members, of  
 20 whom six shall be public members appointed by the governor as  
 21 provided in section 26-34. At least four of the public members



1 shall have knowledge and expertise in public or private  
2 financing and development of affordable housing. Public members  
3 shall be appointed from each of the counties of Honolulu,  
4 Hawaii, Maui, and Kauai. At least one public member shall  
5 represent community advocates for low-income housing, affiliated  
6 with private nonprofit organizations that serve the residents of  
7 low-income housing. The public members of the board shall serve  
8 four-year staggered terms; provided that the initial  
9 appointments shall be as follows:

- 10 (1) Two members to be appointed for four years;
- 11 (2) Two members to be appointed for three years; and
- 12 (3) Two members to be appointed for two years.

13 The director of business, economic development, and tourism and  
14 the director of finance, or their designated representatives, and  
15 a representative of the governor's office, shall be ex  
16 officio[+], [+] voting members. The corporation shall be headed by  
17 the [~~board.~~] executive director."

18 SECTION 3. Section 201H-71, Hawaii Revised Statutes, is  
19 amended by amending subsections (g) and (h) to read as follows:

20 "(g) Any housing project or projects authorized by, and  
21 undertaken pursuant to, this chapter shall constitute an



1 "undertaking" within the meaning of that term as defined and  
2 used in part III, chapter 39. Any loan program authorized by,  
3 and undertaken pursuant to, this chapter, including without  
4 limitation "housing loan programs" defined in and authorized by  
5 subparts B and D, shall constitute a "loan program" within the  
6 meaning of that term as defined and used in part III, chapter  
7 39. The corporation shall constitute a "department" [~~and the~~  
8 ~~board shall constitute a "governing body" within the meaning of~~  
9 ~~these terms~~] as defined and used in part III, chapter 39.

10 (h) [~~Neither the members of the board nor any~~] No person  
11 executing the bonds shall be liable personally on the bonds by  
12 reason of the issuance thereof."

13 SECTION 4. Section 201H-124, Hawaii Revised Statutes, is  
14 amended by amending subsection (c) to read as follows:

15 "(c) A rental assistance contract and any subsidy of  
16 tenants' rents in projects developed under this subpart shall be  
17 for a term not in excess of thirty-five years and shall be  
18 approved by the [~~board of directors~~] executive director of the  
19 corporation. Upon that approval by the corporation, the  
20 director of finance shall be authorized to guarantee the  
21 obligation of the corporation for the term of the rental



1 assistance contract or the subsidy of tenants' rents in an  
2 amount equal to the aggregate obligation of the corporation to  
3 make assistance payments; provided that the aggregate of all of  
4 the outstanding guarantees shall not exceed \$100,000,000.  
5 Pursuant to that guarantee, the corporation shall make annual  
6 rental payments to the owner in accordance with the approved  
7 rental assistance contract or to the tenants in accordance with  
8 the approved subsidy."

9 SECTION 5. Statutory material to be repealed is bracketed  
10 and stricken. New statutory material is underscored.

11 SECTION 6. This Act shall take effect on July 1, 2050.



**Report Title:**

HHFDC; Executive Director; Board of Directors

**Description:**

Requires the Hawaii Housing Finance and Development Corporation to employ an Executive Director to be nominated by the Governor, subject to the advice and consent of the Senate. Transfers the duties and powers of the Board of Directors of the Hawaii Housing Finance and Development Corporation to the Executive Director. Requires the Board to advise the Executive Director. Takes effect 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.*

