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# A BILL FOR AN ACT

RELATING TO HOUSING.

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

1           SECTION 1. The legislature finds that the Hawaii housing  
2 finance and development corporation and the Hawaii public  
3 housing authority both provide critical services to address  
4 Hawaii's affordable housing crisis. The Hawaii housing finance  
5 and development corporation oversees the financing of affordable  
6 housing and the Hawaii public housing authority manages the  
7 public housing programs and housing choice vouchers. Through  
8 these two entities, the supply of affordable housing in Hawaii  
9 has grown, with billions of dollars financed and more than six  
10 thousand public housing units currently being managed.

11           The legislature further finds that the executive directors  
12 of the two entities face different compensation limitations,  
13 with the executive director of the housing authority being paid  
14 no more than the governor, and the executive director of the  
15 development corporation being paid a lower salary of not more  
16 than the director of business, economic development, and  
17 tourism--a difference of more than \$10,000. In addition, the



1 salary of the executive assistant of the development corporation  
2 is also capped at a percentage of the executive director's  
3 salary.

4 The legislature believes that increasing certain salary  
5 caps will help the State compete with the private sector for  
6 highly skilled individuals and further increase the supply of  
7 affordable housing in Hawaii.

8 Accordingly, the purpose of this Act is to:

- 9 (1) Provide the Hawaii housing finance and development  
10 corporation with autonomy in personnel matters;
- 11 (2) Increase the salary cap for the executive director and  
12 deputy executive director of the Hawaii housing  
13 finance and development corporation;
- 14 (3) Rename the executive assistant of the Hawaii housing  
15 finance and development corporation the deputy  
16 executive director; and
- 17 (4) Prohibit the extension of any employment contract of  
18 the Hawaii housing finance and development corporation  
19 and Hawaii public housing authority beyond two years  
20 without legislative approval.



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

3 "(a) There is established the Hawaii housing finance and  
4 development corporation to be placed within the department of  
5 business, economic development, and tourism for administrative  
6 purposes only[-]; provided that the corporation shall have  
7 autonomy in personnel matters, including establishing and  
8 filling positions and setting salaries. The corporation shall  
9 be a public body and a body corporate and politic.

10 (b) The corporation shall employ, exempt from chapter 76  
11 and section 26-35(a)(4), an executive director and [~~an executive~~  
12 ~~assistant.~~] a deputy executive director. The executive director  
13 shall be paid a salary not to exceed the salary of the [~~director~~  
14 ~~of business, economic development, and tourism.~~] governor. The  
15 [~~executive assistant~~] deputy executive director shall be paid a  
16 salary not to exceed [~~ninety~~] ninety-five per cent of the  
17 executive director's salary. The corporation may employ,  
18 subject to chapter 76, technical experts and officers, agents,  
19 and employees, permanent and temporary, as required. The  
20 corporation may also employ officers, agents, and employees,  
21 prescribe their duties and qualifications, and fix their



1 salaries, not subject to chapter 76, when in the determination .  
2 of the corporation, the services to be performed are unique and  
3 essential to the execution of the functions of the corporation.  
4 Unless approved by the legislature by concurrent resolution, the  
5 corporation shall not offer any employment contract that exceeds  
6 two years. The corporation may call upon the attorney general  
7 for legal services as it may require. The corporation may  
8 delegate to one or more of its agents or employees its powers  
9 and duties as it deems proper."

10 SECTION 3. Section 356D-2, Hawaii Revised Statutes, is  
11 amended by amending subsection (b) to read as follows:

12 "(b) The authority shall employ, exempt from chapter 76  
13 and section 26-35(a)(4), an executive director, an executive  
14 assistant, a chief financial management advisor, a property  
15 management branch chief, a chief planner, and a redevelopment  
16 officer, whose salaries shall be set by the board established  
17 under section 356D-3; provided that no salary shall exceed the  
18 governor's salary. The authority may employ, subject to  
19 chapter 76, technical experts and officers, agents, and  
20 employees, permanent or temporary, as required. The authority  
21 may also employ officers, agents, and employees; prescribe their



1 duties and qualifications; and fix their salaries, not subject  
2 to chapter 76, when in the determination of the authority, the  
3 services to be performed are unique and essential to the  
4 execution of the functions of the authority; provided that if  
5 the authority hires an officer, agent, or employee in a capacity  
6 not subject to chapter 76, the authority shall include in an  
7 annual report to the legislature, to be submitted not later than  
8 twenty days prior to the convening of each regular session, the  
9 position descriptions and reasons for hiring the personnel in a  
10 civil service exempt capacity. Unless approved by the  
11 legislature by concurrent resolution, the authority shall not  
12 offer any employment contract that exceeds two years. The  
13 authority may call upon the attorney general for legal services  
14 as it may require. The authority may delegate to one or more of  
15 its agents or employees the powers and duties it deems proper."

16 SECTION 4. Statutory material to be repealed is bracketed  
17 and stricken. New statutory material is underscored.

18 SECTION 5. This Act shall take effect on July 1, 3000.



**Report Title:**

HHFDC; HPHA; Executive Director Salary; Deputy Executive Director; Employment Contracts

**Description:**

Provides the Hawaii Housing Finance and Development Corporation with autonomy in personnel matters. Increases the salary cap for the Executive Director and Deputy Executive Director of the Hawaii Housing Finance and Development Corporation. Renames the Executive Assistant of the Hawaii Housing Finance and Development Corporation the Deputy Executive Director. Prohibits the extension of any employment contract of the Hawaii Housing Finance and Development Corporation and Hawaii Public Housing Authority beyond two years without legislative approval. Effective 7/1/3000. (HD1)

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

