

A Bill for an Act Relating to the Housing and Community Development Corporation of Hawaii.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. The legislature finds that there remains a continuing need to provide financing for the infrastructure and other elements that lead to development of low-income housing for Hawaii's citizens. The legislature also finds that there remains a strong need to continue the construction, maintenance, and operation of rental housing for our neediest low-income families and individuals in order to provide them with an affordable quality of life. This effort can be accomplished by placing responsibility for these functions in the agency with the mission of providing support and support services to those of our people most in need of assistance. Accordingly, the purpose of the Act is to transfer the housing and community development corporation of Hawaii from within the department of business, economic development, and tourism for administrative purposes to within the department of human services for administrative purposes.

SECTION 2. Section 26-14, Hawaii Revised Statutes, is amended to read as follows:

**“§26-14 Department of human services.** (a) The department of human services shall be headed by a single executive to be known as the director of human services.

(b) The department shall administer programs designed to improve the social well-being and productivity of the people of the State. Without limit to the generality of the foregoing, the department shall concern itself with problems of human behavior, adjustment, and daily living through the administration of programs of family, child and adult welfare, economic assistance, health care assistance, rehabilitation toward self-care and support, public housing, and other related programs provided by law.

(c) The functions and authority heretofore exercised by the department of public welfare, the bureau of sight conservation and work with the blind (except for the transcription services program transferred to the department of education), the council on veterans' affairs, and any other agency of the state or county governments with respect to the assistance and care of the indigent and medically indigent as heretofore constituted are transferred to the department of human services established by this chapter.

**(d) The housing and community development corporation of Hawaii is placed within the department of human services for administrative purposes only.”**

SECTION 3. Section 26-18, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) The following are placed in the department of business, economic development, and tourism for administrative purposes as defined by section 26-35: Aloha Tower development corporation, Hawaii community development authority, high technology development corporation, land use commission, natural energy laboratory of Hawaii authority, [~~the housing and community development corporation of Hawaii,~~] and any other boards and commissions as shall be provided by law.

The department of business, economic development, and tourism shall be empowered to establish, modify, or abolish statistical boundaries for cities, towns, or villages in the State and shall publish, as expeditiously as possible, an up-to-date list

of cities, towns, and villages after changes to statistical boundaries have been made.”

SECTION 4. Section 201G-2, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) There is established the housing and community development corporation of Hawaii to be placed within the department of [~~business, economic development, and tourism~~] human services for administrative purposes only. The corporation shall be a public body and a body corporate and politic.”

SECTION 5. Section 201G-143, Hawaii Revised Statutes, is amended to read as follows:

“**§201G-143 Annual statements.** The corporation shall annually forward to the director of [~~business, economic development, and tourism~~] human services and the director of finance a full, detailed description and financial statement of the planning, construction, repair, maintenance, and operation of teacher housing.”

SECTION 6. All officers and employees whose positions are transferred by this Act shall be transferred to the department of human services. The functions, duties, classification, pay, benefits, tenure, seniority, prior service credit, vacation, sick leave, or other employee benefit or privilege of any officer or employee shall not be changed in the execution of the transfer. Subsequent changes in status shall be made in accordance with applicable state personnel laws, rules, policies, procedures, and collective bargaining agreements.

If an office or position held by an officer or employee is abolished as a result of this Act, the employment action affecting the officer or employee shall be in accordance with applicable state personnel laws, rules, policies, procedures, and collective bargaining agreements.

SECTION 7. All rules, policies, procedures, guidelines, and other material adopted or developed by the department of business, economic development, and tourism to implement provisions of the Hawaii Revised Statutes that are reenacted or made applicable to the department of human services by this Act, shall remain in full force and effect until amended or repealed by the department of human services pursuant to chapter 91, Hawaii Revised Statutes. In the interim, every reference to the department of business, economic development, and tourism or director of business, economic development, and tourism in those rules, policies, procedures, guidelines, and other material is amended to refer to the department of human services or director of human services as appropriate.

SECTION 8. All deeds, leases, contracts, loans, agreements, permits, or other documents executed or entered into by or on behalf of the department of business, economic development, and tourism pursuant to the provisions of the Hawaii Revised Statutes, which are reenacted or made applicable to the department of human services by this Act, shall remain in full force and effect. Effective July 1, 2003, every reference to the department of business, economic development, and tourism or the director of business, economic development, and tourism therein shall be construed as a reference to the department of human services or the director of human services as appropriate.

SECTION 9. All appropriations, records, equipment, machines, files, supplies, contracts, books, papers, documents, maps, and other personal property heretofore made, used, acquired, or held by the department of business, economic

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development, and tourism relating to the functions transferred to the department of human services shall be transferred with the functions to which they relate.

SECTION 10. All funds appropriated for fiscal biennium 2003-2005, directly or indirectly, relating to the functions, programs, or organizational segments transferred under this Act shall be appropriately transferred to the department of human services with the functions, programs, or segments to which they relate.

SECTION 11. It is the intent of this Act not to jeopardize the receipt of any federal aid nor to impair the obligation of the State or any agency thereof to persons with which it has existing contracts or to the holders of any bond issued by the State or by any such agency, and to the extent, and only to the extent necessary to effectuate this intent, the governor may modify the strict provisions of this Act, but shall promptly report any such modification with reasons therefor to the legislature at its next session thereafter for review by the legislature.

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

SECTION 13. This Act shall take effect on July 1, 2003.

(Approved May 28, 2003.)