ACT 223

H.B. NO. 1364

A Bill for an Act Relating to the State Rent Supplement Program.

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

SECTION 1. Section 356D-151, Hawaii Revised Statutes, is amended to read as follows:

"[[]§356D-151[]] Rent supplements. The authority is authorized to make and contract to make annual payments to a ["housing owner"] housing owner on behalf of a ["qualified tenant",] qualified tenant as those terms are defined in this part, in amounts and under circumstances as are prescribed [in or pursuant to this part. No payment on behalf of a qualified tenant shall exceed a segregated amount of \$160 a month.] by the authority pursuant to rules adopted by the authority."

SECTION 2. Section 356D-153, Hawaii Revised Statutes, is amended to read as follows:

"[[]§356D-153[]] Qualified tenant[;] defined[;]; preference. (a) As used in this part, [the-term] "qualified tenant" means any single person or family, pursuant to criteria and procedures established by the authority, who has been determined to have an income not exceeding the [very low-income] income limit as determined by the authority pursuant to rules adopted by the authority; provided that the income limit shall not exceed ninety-five per cent of the annual median income as determined by the United States Department of Housing and Urban Development; provided further that the qualified tenant's primary place of residence shall be in the State or the qualified tenant intends to make the State the qualified tenant's primary place of residence. The terms "qualified tenant" and "tenant" shall include a person or family who satisfies the foregoing requirements and is a member of a cooperative [who satisfies the foregoing requirements-and] who, upon resale of the member's membership to the cooperative, will not be reimbursed for more than fifty per cent of any equity increment accumulated through payments under this part.

With respect to members of a cooperative, <u>as used in this part</u>, the terms 'rental' and 'rental charges' mean the charges under the occupancy agreements between the members and the cooperative.

(b) The authority shall give preference to qualified tenants with incomes at or below eighty per cent of the annual median income as determined by the United States Department of Housing and Urban Development."

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 Statutory material to be repealed is bracketed and stricken.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

SECTION 4. This Act shall take effect on January 1, 2008.

(Approved June 28, 2007.)