

Honolulu, Hawaii

MAR 24 2015

RE: H.B. No. 1025
H.D. 1
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committees on Human Services and Housing and Judiciary and Labor, to which was referred H.B. No. 1025, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Authorize the Hawaii Housing Finance and Development Corporation Board of Directors to set the salary of its Executive Director; and
- (2) Require the Board to consider withholding or altering the Executive Director's benefits package in exchange for a salary that exceeds that of civil service employees.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism. Your Committees received comments on this measure from the Hawaii Housing Finance and Development Corporation.

Your Committees find that the Hawaii Housing Finance and Development Corporation is the primary state agency charged with overseeing affordable housing finance and development in Hawaii. This is accomplished by working in partnership with residents,



government agencies, financiers, and for-profit and non-profit developers.

Your Committees further find that the Executive Director of the Hawaii Housing Finance and Development Corporation, who oversees several key affordable housing programs, including the low-income housing tax credit, rental housing trust fund, and Hula Mae single and multi-family revenue bond programs, has the lowest salary of all state housing finance agencies nationwide. Your Committees believe that allowing the Hawaii Housing Finance and Development Corporation Board of Directors to adequately compensate the Executive Director will enable the Hawaii Housing Finance and Development Corporation to attract and retain an individual that will lead agency staff toward fulfilling the mission of increasing and preserving the supply of workforce and affordable housing statewide.


Your Committees have amended this measure by:

- (1) Deleting language that would have required the Hawaii Housing Finance and Development Corporation Board of Directors to consider withholding or altering the Executive Director's benefits package in exchange for a salary that exceeds that of civil service employees and report such action if the option was exercised; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1025, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1025, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committees on Human Services
and Housing and Judiciary and
Labor,



GILBERT S.C. KEITH-AGARAN, Chair



SUZANNE CHUN OAKLAND, Chair



