A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING.

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

SECTION 1. The legislature finds that the cost and availability of housing in the State are significant challenges facing Hawaii residents. Although Hawaii has the tenth highest median wage nationally, living expenses are two-thirds higher than the rest of the nation, with the cost of housing being a major contributing factor. In September 2018, the median price for a single-family home on Oahu rose to $812,500, while the median price for condominiums on Oahu rose to $428,000. According to a local news report, a household would need to earn almost $160,000 annually to afford to buy a home on Oahu, making homeownership out of reach for many of Hawaii's residents, especially first-time buyers. Although the legislature has responded to this problem by passing various legislation, many other bills that would have positively impacted the housing problem languished.
The purpose of this Act is to amend a variety of sections of the Hawaii Revised Statutes to positively impact housing affordability in one or more ways to:

1. Increase the supply of housing;
2. Expand access to housing;
3. Ensure affordability of housing; or
4. Promote stability of housing.

PART I

SECTION 2. The purpose of this part is to provide more rights to tenants when the units in which they live are not adequately habitable and by preventing retaliatory evictions. This proposal promotes stability in the housing market and have a small impact on increase supply by compelling landlords to improve otherwise unhabitable units.

SECTION 3. Section 521-42, Hawaii Revised Statutes, is amended to read as follows:

"§521-42 Landlord to supply and maintain fit premises.
(a) The landlord shall at all times during the tenancy:
(1) Comply with all applicable building and housing laws materially affecting health and safety;
(2) Keep common areas of a multi-dwelling unit premises in a clean and safe condition;

(3) Make all repairs and arrangements necessary to put and keep the premises in a habitable condition;

(4) Maintain all electrical, plumbing, and other facilities and appliances supplied by the landlord in good working order and condition, subject to reasonable wear and tear;

(5) Except in the case of a single family residence, provide and maintain appropriate receptacles and conveniences for the removal of normal amounts of rubbish and garbage, and arrange for the frequent removal of such waste materials; and

(6) Except in the case of a single family residence, or where the building is not required by law to be equipped for the purpose, provide for the supplying of running water as reasonably required by the tenant.

Prior to the initial date of initial occupancy, the landlord shall inventory the premises and make a written record detailing the condition of the premises and any furnishings or appliances provided. Duplicate copies of this inventory shall
be signed by the landlord and by the tenant and a copy given to each tenant. In an action arising under this section, the executed copy of the inventory shall be presumed to be correct. If the landlord fails to make such an inventory and written record, the condition of the premises and any furnishings or appliances provided, upon the termination of the tenancy shall be rebuttably presumed to be the same as when the tenant first occupied the premises.

(b) The landlord and tenant may agree that the tenant is to perform specified repairs, maintenance tasks, and minor remodeling only if:

(1) The agreement of the landlord and tenant is entered into in good faith and is not for the purpose of evading the obligations of the landlord;

(2) The work to be performed by the tenant is not necessary to cure noncompliance by the landlord with section 521-42(a)(1); and

(3) The agreement of the landlord and tenant does not diminish the obligations of the landlord to other tenants.
(c) If a landlord's failure to materially comply with
subsection (a) results in the significant impairment of the
habitability of the premises:

(1) No action or proceeding to recover possession of the
dwelling unit may be maintained against the tenant,
nor shall the landlord otherwise cause the tenant to
be removed from the dwelling unit involuntarily; and

(2) The tenant's liability for rent shall not exceed the
fair rental value of the premises."

SECTION 4. Section 521-74, Hawaii Revised Statutes, is
amended by amending subsection (c) to read as follows:

"(c) Any tenant from whom possession has been recovered or
who has been otherwise involuntarily dispossessed, in violation
of this section, is entitled to recover the damages sustained by
the tenant, an amount equal to two months' rent or free
occupancy for two months, and the cost of suit, including
reasonable attorney's fees."

PART II

SECTION 5. The purpose of this part is to exempt
affordable housing units, additions to existing dwelling units,
accessory dwelling units, ohana dwelling units, housing
developed by the Hawaii Public Housing Authority, and certain
housing units developed by self-help housing nonprofit
organizations from school impact fee requirements. This
proposal promotes affordability and increase supply of rental
housing.

SECTION 6. Section 302A-1603, Hawaii Revised Statutes, is
amended to read as follows:

"§302A-1603 Applicability and exemptions. (a) Except as
provided in subsection (b), any person who seeks to develop a
new residential development within a designated school impact
district requiring:

(1) A county subdivision approval;
(2) A county building permit; or
(3) A condominium property regime approval for the
project,
shall be required to fulfill the land component impact fee or
fee in lieu requirement and construction cost component impact
fee requirement of the department[, including all government
housing projects and projects processed pursuant to sections 46—
15.1 and 201H—38].

(b) The following shall be exempt from this section:
(1) Any form of housing permanently excluding school-aged children, with the necessary covenants or declarations of restrictions recorded on the property;

(2) Any form of housing that is or will be paying the transient accommodations tax under chapter 237D;

(3) All nonresidential development; [and]

(4) Any development with an executed education contribution agreement or other like document with the department for the contribution of school sites or payment of fees for school land or school construction[;]

(5) Any housing project that has been certified or approved for a general excise tax exemption under section 201H-36 and all government housing projects and projects processed pursuant to sections 46-15.1 and 201H-38;

(6) Any alteration to or expansion of an existing dwelling unit where no additional dwelling unit is created and the use is not changed, even if the alteration or expansion may require a county building permit;
(7) Accessory dwelling units that are legally permitted by a county. As used in this paragraph, "accessory dwelling unit" means a second dwelling unit, including separate kitchen, bedroom, and bathroom facilities, attached or detached from the primary dwelling unit on the same lot; and

(8) Ohana dwelling units that are legally permitted by a county. As used in this paragraph, "ohana dwelling unit" means a second dwelling unit, including separate kitchen, bedroom, and bathroom facilities, attached or detached from the primary dwelling unit on the same lot, which is occupied by persons who are related by blood, marriage, or adoption to the persons residing in the first dwelling unit; provided that an ohana dwelling unit for which a building permit was obtained before September 10, 1992, may be occupied by persons other than family members."

PART III

SECTION 7. The purpose of this part is to allow the Hawaii housing finance and development corporation to enter into ninety-nine year leases of units in residential condominiums
located on state lands. This proposal increases the supply of
rental housing and promotes stability of the housing market,
specifically that residents could enjoy housing stability for up
to ninety-nine years.

SECTION 8. Chapter 201H, Hawaii Revised Statutes, is
amended by adding to part II a new section to be appropriately
designated and to read as follows:

"§201H- Leasehold condominiums on state land. (a) The
corporation may sell leasehold units in condominiums created
pursuant to chapter 541B and developed under this part on state
land to a qualified resident as defined in section 201H-32.

(b) The term of the lease may be for ninety-nine years,
and the corporation may extend or modify the fixed rental period
of the lease or extend the term of the lease.

(c) The sale of leasehold units shall be subject to all
the provisions of sections 201H-47, 201H-49, and 201H-50, except
for units sold at fair market value.

(d) State land set aside by the governor to the
corporation and lands leased to the corporation by any
department or agency of the State for a condominium described in
this section shall be exempt from the definition of public lands under section 171-2.

(e) The powers conferred upon the corporation by this section shall be in addition and supplemental to the powers conferred by any other law, and nothing in this section shall be construed as limiting any powers, rights, privileges, or immunities so conferred."

PART IV

SECTION 9. The purpose of this part is to prohibit housing discrimination in rental transactions, including in advertisements for available rental units, on the basis of a renter's participation in a housing assistance program or the requirements of a housing assistance program, specifically section 8 status. This proposal promotes access and stability, specifically for section 8 tenants, with a secondary impact on the housing market for non-section 8.

SECTION 10. Section 515-2, Hawaii Revised Statutes, is amended as follows:

1. By adding two new definitions to be appropriately inserted and to read:
"Housing assistance program" means any government or private assistance, grant, loan, or rental assistance program, including low-income housing assistance certificates and vouchers under the United States Housing Act of 1937, as amended.

"Rental transaction" means any part of the process or transaction for the rental or lease of a premises for residential purposes."

2. By amending the definition of "steering" to read:

"Steering" includes the practice of directing persons who seek to enter into a real estate transaction or rental transaction toward or away from real property in order to deprive them of the benefits of living in a discrimination-free environment."

SECTION 11. Section 515-3, Hawaii Revised Statutes, is amended to read as follows:

"§515-3 Discriminatory practices. It is a discriminatory practice for an owner or any other person engaging in a real estate transaction, or for a real estate broker or salesperson, because of race, sex, including gender identity or expression, sexual orientation, color, religion, marital status, familial
status, ancestry, disability, age, participation in a housing
assistance program or requirements related to participation in a
housing assistance program, or human immunodeficiency virus
infection:

(1) To refuse to engage in a real estate transaction with
a person;

(2) To discriminate against a person in the terms,
conditions, or privileges of a real estate transaction
or in the furnishing of facilities or services in
connection with a real estate transaction;

(3) To refuse to receive or to fail to transmit a bona
fide offer to engage in a real estate transaction from
a person;

(4) To refuse to negotiate for a real estate transaction
with a person;

(5) To represent to a person that real property is not
available for inspection, sale, rental, or lease when
in fact it is available, or to fail to bring a
property listing to the person's attention, or to
refuse to permit the person to inspect real property,
1 or to steer a person seeking to engage in a real
2 estate transaction;
3 (6) To offer, solicit, accept, use, or retain a listing of
4 real property with the understanding that a person may
5 be discriminated against in a real estate transaction
6 or in the furnishing of facilities or services in
7 connection with a real estate transaction;
8 (7) To solicit or require as a condition of engaging in a
9 real estate transaction that the buyer, renter, or
10 lessee be tested for human immunodeficiency virus
11 infection, the causative agent of acquired
12 immunodeficiency syndrome;
13 (8) To refuse to permit, at the expense of a person with a
14 disability, reasonable modifications to existing
15 premises occupied or to be occupied by the person if
16 modifications may be necessary to afford the person
17 full enjoyment of the premises; provided that a real
18 estate broker or salesperson, where it is reasonable
19 to do so, may condition permission for a modification
20 on the person agreeing to restore the interior of the
premises to the condition that existed before the
modification, reasonable wear and tear excepted;

[†][9][†] To refuse to make reasonable accommodations in rules,
policies, practices, or services, when the
accommodations may be necessary to afford a person
with a disability equal opportunity to use and enjoy a
housing accommodation; provided that if reasonable
accommodations include the use of an animal,
reasonable restrictions may be imposed;

[†][10][†] In connection with the design and construction of
covered multifamily housing accommodations for first
occupancy after March 13, 1991, to fail to design and
construct housing accommodations in such a manner
that:

(A) The housing accommodations have at least one
accessible entrance, unless it is impractical to
do so because of the terrain or unusual
characteristics of the site; and

(B) With respect to housing accommodations with an
accessible building entrance:
(i) The public use and common use portions of
the housing accommodations are accessible to
and usable by persons with disabilities;

(ii) Doors allow passage by persons in
wheelchairs; and

(iii) All premises within covered multifamily
housing accommodations contain an accessible
route into and through the housing
accommodations; light switches, electrical
outlets, thermostats, and other
environmental controls are in accessible
locations; reinforcements in the bathroom
walls allow installation of grab bars; and
kitchens and bathrooms are accessible by
wheelchair; or

To discriminate against or deny a person access to, or
membership or participation in any multiple listing
service, real estate broker's organization, or other
service, organization, or facility involved either
directly or indirectly in real estate transactions, or
to discriminate against any person in the terms or
conditions of access, membership, or participation."

SECTION 12. Section 515-4, Hawaii Revised Statutes, is
amended to read as follows:

"§515-4 Exemptions. (a) Section 515-3 does not apply:

(1) To the rental of a housing accommodation in a building
which contains housing accommodations for not more
than two families living independently of each other
if the owner or lessor resides in one of the housing
accommodations; or

(2) To the rental of a room or up to four rooms in a
housing accommodation by an owner or lessor if the
owner or lessor resides in the housing accommodation.

(b) Nothing in section 515-3 shall be deemed to prohibit
refusal because of sex, including gender identity or expression,
sexual orientation, or marital status, to rent or lease housing
accommodations:

(1) Owned or operated by a religious institution and used
for church purposes as that term is used in applying
exemptions for real property taxes; or
(2) That are part of a religiously affiliated institution of higher education housing program that is operated on property that the institution owns or controls or that is operated for its students pursuant to Title IX of the Education Amendments of 1972.

(c) Nothing in this chapter regarding familial status or age shall apply to housing for older persons as defined by title 42 United States Code section 3607(b)(2).

(d) Nothing in section 515-3 shall be deemed to prohibit a person from determining the ability of a potential buyer or renter to pay a purchase price or rent by:

(1) Verifying, in a commercially reasonable manner, the source and amount of income of the potential buyer or renter; or

(2) Evaluating, in a commercially reasonable manner, the stability, security, and credit worthiness of the potential buyer or renter or any source of income of the potential buyer or renter."

SECTION 13. Section 515-5, Hawaii Revised Statutes, is amended to read as follows:
§515-5 Discriminatory financial practices. It is a
discriminatory practice for a person, a representative of such
person, or a real estate broker or salesperson, to whom an
inquiry or application is made for financial assistance in
connection with a real estate transaction or for the
construction, rehabilitation, repair, maintenance, or
improvement of real property, because of race, sex, including
gender identity or expression, sexual orientation, color,
religion, marital status, familial status, ancestry, disability,
age, participation in a housing assistance program or
requirements related to participation in a housing assistance
program, or human immunodeficiency virus infection:

(1) To discriminate against the applicant;
(2) To use a form of application for financial assistance
or to make or keep a record or inquiry in connection
with applications for financial assistance that
indicates, directly or indirectly, an intent to make a
limitation, specification, or discrimination unless
the records are required by federal law;
(3) To discriminate in the making or purchasing of loans
or the provision of other financial assistance for
purchasing, constructing, improving, repairing, or maintaining a dwelling, or the making or purchasing of loans or the provision of other financial assistance secured by residential real estate; or

(4) To discriminate in the selling, brokering, or appraising of residential real property."

SECTION 14. Section 515-6, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

"(a) Every provision in an oral agreement or a written instrument relating to real property that purports to forbid or restrict the conveyance, encumbrance, occupancy, or lease thereof to individuals because of race, sex, including gender identity or expression, sexual orientation, color, religion, marital status, familial status, ancestry, disability, age, participation in a housing assistance program or requirements related to participation in a housing assistance program, or human immunodeficiency virus infection, is void.

(b) Every condition, restriction, or prohibition, including a right of entry or possibility of reverter, that directly or indirectly limits the use or occupancy of real property on the basis of race, sex, including gender identity or
expression, sexual orientation, color, religion, marital status, 
familial status, ancestry, disability, age, participation in a 
housing assistance program or requirements related to 
participation in a housing assistance program, or human 
immunodeficiency virus infection is void, except a limitation, 
on the basis of religion, on the use of real property held by a 
religious institution or organization or by a religious or 
charitable organization operated, supervised, or controlled by a 
religious institution or organization, and used for religious or 
charitable purposes."

SECTION 15. Section 515-7, Hawaii Revised Statutes, is 
amended to read as follows:

"§515-7 Blockbusting. It is a discriminatory practice for 
a person, representative of a person, or a real estate broker or 
salesperson, for the purpose of inducing a real estate 
transaction from which the person, representative, or real 
estate broker or salesperson may benefit financially, because of 
race, sex, including gender identity or expression, sexual 
orientation, color, religion, marital status, familial status, 
ancestry, disability, age, participation in a housing assistance
program or requirements related to participation in a housing
assistance program, or human immunodeficiency virus infection:

(1) To represent that a change has occurred or will or may
occur in the composition of the owners or occupants in
the block, neighborhood, or area in which the real
property is located; or

(2) To represent that this change will or may result in
the lowering of property values, an increase in
criminal or antisocial behavior, or a decline in the
quality of schools in the block, neighborhood, or area
in which the real property is located."

SECTION 16. Section 515-16, Hawaii Revised Statutes, is
amended to read as follows:

"§515-16 Other discriminatory practices. It is a
discriminatory practice for a person, or for two or more persons
to conspire:

(1) To retaliate, threaten, or discriminate against a
person because of the exercise or enjoyment of any
right granted or protected by this chapter, or because
the person has opposed a discriminatory practice, or
because the person has made a charge, filed a
complaint, testified, assisted, or participated in an investigation, proceeding, or hearing under this chapter;

(2) To aid, abet, incite, or coerce a person to engage in a discriminatory practice;

(3) To interfere with any person in the exercise or enjoyment of any right granted or protected by this chapter or with the performance of a duty or the exercise of a power by the commission;

(4) To obstruct or prevent a person from complying with this chapter or an order issued pursuant to this chapter;

(5) To intimidate or threaten any person engaging in activities designed to make other persons aware of, or encouraging such other persons to exercise rights granted or protected by this chapter;

(6) To threaten, intimidate or interfere with persons in their enjoyment of a housing accommodation because of the race, sex, including gender identity or expression, sexual orientation, color, religion, marital status, familial status, ancestry, disability,
age, participation in a housing assistance program or requirements related to participation in a housing assistance program, or human immunodeficiency virus infection of the persons, or of visitors or associates of the persons; or

(7) To print, circulate, post, or mail, or cause to be published a statement, advertisement, or sign, or to use a form of application for a real estate transaction, or to make a record or inquiry in connection with a prospective real estate transaction, that indicates, directly or indirectly, an intent to make a limitation or specification, or to discriminate because of race, sex, including gender identity or expression, sexual orientation, color, religion, marital status, familial status, ancestry, disability, age, participation in a housing assistance program or requirements related to participation in a housing assistance program, or human immunodeficiency virus infection."

SECTION 17. The department of commerce and consumer affairs, in consultation with the Hawaii civil rights
commission, shall produce materials related to this Act and
publicize the prohibition against discrimination based on
participation in housing assistance programs or requirements
related to participation in housing assistance programs.

PART V

SECTION 18. The purpose of this part is to relax the rules
pertaining to the low-income housing tax credit in order to
allow more investors to utilize the tax credits, expanding the
investor market, and generating more participation in state bond
financed projects. This proposal would increase the supply and
affordability within the housing market.

SECTION 19. Section 235-110.8, Hawaii Revised Statutes, is
amended to read as follows:

"§235-110.8 Low-income housing tax credit. (a) As
modified herein, section 42 (with respect to low-income housing
credit) of the Internal Revenue Code shall be operative for the
purposes of this chapter as provided in this section. A
taxpayer owning a qualified low-income building who has been
awarded a subaward under section 1602 of the American Recovery
and Reinvestment Act of 2009, Public Law 111-5, shall also be
eligible for the credit provided in this section."
(b) Each taxpayer subject to the tax imposed by this chapter, who has filed a net income tax return for a taxable year may claim a low-income housing tax credit against the taxpayer's net income tax liability. The amount of the credit shall be deductible from the taxpayer's net income tax liability, if any, imposed by this chapter for the taxable year in which the credit is properly claimed on a timely basis. A credit under this section may be claimed whether or not the taxpayer claims a federal low-income housing tax credit pursuant to section 42 of the Internal Revenue Code.

(c) For any qualified low-income building that receives an allocation prior to January 1, 2017, the amount of the low-income housing tax credit that may be claimed by a taxpayer as provided in subsection (b) shall be fifty per cent of the applicable percentage of the qualified basis of each building located in Hawaii. The applicable percentage shall be calculated as provided in section 42(b) of the Internal Revenue Code.

(d) For any qualified low-income building that receives an allocation after December 31, 2016, the amount of the low-income
housing tax credits that may be claimed by a taxpayer as
provided in subsection (b) shall be:

(1) For the first five years, equal to the amount of the
federal low-income housing tax credits that have been
allocated to the qualified low-income building
pursuant to section 42(b) of the Internal Revenue Code
by the corporation, provided that, if in any year the
aggregate amount of credits under this subsection
would be such that it would exceed the amount of state
credits allocated by the corporation for the qualified
low-income building, the credits allowed for that year
shall be limited to such amount necessary to bring the
total of such state credits (including the current
year state credits) to the full amount of state
credits allocated to the qualified low-income building
by the corporation;

(2) For the sixth year, zero, except that, if, and only
if, the amount of credits allowed for the first five
years is less than the full amount of state credits
allocated by the corporation for the qualified low-
income building, an amount necessary to bring the
amount of the state credits to the full amount
allocated by the corporation for the qualified low-
income building; and

(3) For any remaining years, zero.

(e) If a subaward under section 1602 of the American
Recovery and Reinvestment Act of 2009, Public Law 111-5, has
been issued for a qualified low-income building, the amount of
the low-income housing tax credits that may be claimed by a
taxpayer as provided in subsection (b) shall be equal to fifty
per cent of the amount of the federal low-income housing tax
credits that would have been allocated to the qualified low-
income building pursuant to section 42(b) of the Internal
Revenue Code by the corporation had a subaward not been awarded
with respect to the qualified low-income building.

(f) For the purposes of this section, the determination
of:

(1) Qualified basis and qualified low-income building
shall be made under section 42(c);

(2) Eligible basis shall be made under section 42(d);

(3) Qualified low-income housing project shall be made
under section 42(g);
(4) Recapture of credit shall be made under section 42(j), except that the tax for the taxable year shall be increased under section 42(j)(1) only with respect to credits that were used to reduce state income taxes; and

(5) [Application] Except as provided under subsection (j)(1), application of at-risk rules shall be made under section 42(k); of the Internal Revenue Code.

(g) As provided in section 42(e), rehabilitation expenditures shall be treated as a separate new building and their treatment under this section shall be the same as in section 42(e). The definitions and special rules relating to credit period in section 42(f) and the definitions and special rules in section 42(i) shall be operative for the purposes of this section.

(h) The state housing credit ceiling under section 42(h) shall be zero for the calendar year immediately following the expiration of the federal low-income housing tax credit program and for any calendar year thereafter, except for the carryover of any credit ceiling amount for certain projects in progress.
which, at the time of the federal expiration, meet the
requirements of section 42.

(i) The credit allowed under this section shall be claimed
against net income tax liability for the taxable year. For the
purpose of deducting this tax credit, net income tax liability
means net income tax liability reduced by all other credits
allowed the taxpayer under this chapter.

A tax credit under this section that exceeds the taxpayer's
income tax liability may be used as a credit against the
taxpayer's income tax liability in subsequent years until
exhausted. All claims for a tax credit under this section shall
be filed on or before the end of the twelfth month following the
close of the taxable year for which the credit may be claimed.

Failure to properly and timely claim the credit shall constitute
a waiver of the right to claim the credit. A taxpayer may claim
a credit under this section only if the building or project is a
qualified low-income housing building or a qualified low-income
housing project under section 42 of the Internal Revenue Code.

[Section] Except as provided under subsection (j)(1),
section 469 (with respect to passive activity losses and credits
limited) of the Internal Revenue Code shall be applied in claiming the credit under this section.

(j) For a qualified low-income building that receives an allocation of credits after December 31, 2020:

(1) Section 453 (with respect to the installment method), section 465 (with respect to deductions limited to amount at risk), and section 469 (with respect to passive activity losses and credits limited) of the Internal Revenue Code shall not be operative with respect to investments made in buildings and projects claiming the credit under this section;

(2) All allocations to partners of their distributive shares of income, loss, and deductions under chapter 235 shall be made in proportion to the partner's allocation of credits under this section; and

(3) In no event shall the amount of state credits allocated by the corporation for the qualified low-income building exceed fifty per cent of the amount of federal credits allocated to the building.

[k] In lieu of the credit awarded under this section for a qualified low-income building that has been awarded
federal credits that are subject to the state housing credit
ceiling under section 42(h)(3)(C) of the Internal Revenue Code,
federal credits that are allocated pursuant to section 42(h)(4)
of the Internal Revenue Code, or a subaward under section 1602
of the American Recovery and Reinvestment Act of 2009, Public
Law 111-5, the taxpayer owning the qualified low-income building
may make a request to the corporation for a loan under section
201H-86. If the taxpayer elects to receive the loan pursuant to
section 201H-86, the taxpayer shall not be eligible for the
credit under this section.

[\{\&\#1\}] (1) The director of taxation may adopt any rules
under chapter 91 and forms necessary to carry out this section."

PART VI

SECTION 20. The purpose of this part is to establish the
office of the housing advocate whose role is to work with all
state agencies that manage land to advocate for solutions to the
State's housing shortage and monitor, comment, and report on the
State's production of affordable housing units and the
development and implementation of laws, regulations, and
policies relating to affordable housing. This proposal promotes
each of the above-mentioned goals.
SECTION 21. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

"CHAPTER

HOUSING ADVOCATE

§ -1 Office of the housing advocate; qualifications; duties. (a) There is established the office of the housing advocate, to be placed within the office of the governor, which shall be headed by the housing advocate and funded by the dwelling unit revolving fund. The housing advocate shall be appointed, without regard to section 26-34, by the governor to serve a term of four years concurrent with the term of the governor.

(b) The housing advocate shall develop, advocate for, and implement policies to solve Hawaii's housing shortage by:

(1) Analyzing solutions and programs to address the State's need for housing that is affordable for all economic segments of the State, including but not limited to programs or proposals that provide for:
(A) Financing acquisition, rehabilitation, preservation, conversion, or construction of housing;

(B) Use of publicly owned land and buildings as sites for affordable housing;

(C) Identification of state and local regulatory barriers to the development and placement of housing;

(D) Stimulating public and private sector and intergovernmental cooperation in the development of housing;

(E) The equitable geographic distribution of housing for all economic segments;

(F) Examination of successful housing policies from jurisdictions across the country and the world, and how to adapt them to the State;

(G) Addressing the unique circumstances for special needs populations;

(H) Provision of infrastructure for existing and future housing needs;
(I) Preservation and enhancement of the character of the State's unique cultures and communities;

(J) Correction of distortions in the housing market;

(K) Prevention of the erosion of housing stock due to speculation, transient accommodations and short-term vacation rentals, and other phenomena; and

(L) Addressing the diversity of communities across the State;

(2) Considering homeownership and rental housing as viable options for the provision of housing. The housing advocate shall give consideration to various types of residential construction and innovation housing options, including but not limited to manufactured housing;

(3) Reviewing, evaluating, and making recommendations regarding existing and proposed housing programs and initiatives, including but not limited to tax policies, land use policies, and financing programs;

(4) Incorporating feedback and concerns from all stakeholders in the State's housing crisis;
(5) Attracting and retaining future generations and industries through the provision of abundant and affordable housing; and

(6) Engaging and educating the public on housing policies and programs."

SECTION 22. Section 201H-191, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) There is created a dwelling unit revolving fund. The funds appropriated for the purpose of the dwelling unit revolving fund and all moneys received or collected by the corporation for the purpose of the revolving fund shall be deposited in the revolving fund. The proceeds in the revolving fund shall be used:

(1) To reimburse the general fund to pay the interest on general obligation bonds issued for the purposes of the revolving fund;

(2) For the necessary expenses in administering housing development programs and regional state infrastructure programs;

(3) To carry out the purposes of housing development programs and regional state infrastructure programs,
including but not limited to the expansion of
community facilities and regional state infrastructure
constructed in conjunction with housing and mixed-use
transit-oriented development projects, permanent
primary or secondary financing, and supplementing
building costs, federal guarantees required for
operational losses, and all things required by any
federal agency in the construction and receipt of
federal funds or low-income housing tax credits for
housing projects[ ]; and

(4) To fund the office of the housing advocate pursuant to
section[ ]-1."

PART VII

SECTION 23. The purpose of this part is to appropriate
additional funding for the state rent supplement program and to
increase the amount authorized for bonds within the Hula Mae
multi-family tax-exempt bond program. This proposal promotes
affordability and stability for the lowest-income families.

SECTION 24. There is appropriated out of the general
revenues of the State of Hawaii the sum of $3,000,000 or so much
thereof as may be necessary for fiscal year 2020-2021 for the
state rent supplement program established pursuant to section 356D-151, Hawaii Revised Statutes.
The sums appropriated shall be expended by the Hawaii public housing authority for the purposes of this Act.


"SECTION 11. Issuance of revenue bond; amount authorized. Revenue bonds may be issued by the Hawaii housing finance and development corporation pursuant to part III[7] of chapter 39 and subpart A of part III of chapter 201H, Hawaii Revised Statutes, in an aggregate principal amount not to exceed $1,500,000,000 at such times and in such amounts as the Hawaii housing finance and development corporation deems advisable for the purpose of undertaking and maintaining any of the housing loan programs under subpart A of part III of chapter
201H, Hawaii Revised Statutes, relating to the funding or
purchasing of eligible project loans."

PART VIII

SECTION 26. If any provision of this Act, or the
application thereof to any person or circumstance, is held
invalid, the invalidity does not affect other provisions or
applications of the Act that can be given effect without the
invalid provision or application, and to this end the provisions
of this Act are severable.

SECTION 27. Statutory material to be repealed is bracketed
and stricken. New statutory material is underscored.

SECTION 28. This Act shall take effect on July 1, 2020.

INTRODUCED BY: 

[Signatures]
Report Title:
Landlord-tenant Code; Habitability; Retaliatory Evictions; School Impact Fees; Exemption; Self-help Housing Nonprofit; Leases; Leasehold Condominiums; State Lands; HHFDC; Real Property Discrimination; Housing Assistance Program; Low-income Housing Tax Credit; State Rent Supplement; Hula Mae Multifamily Revenue Bond Authorization; Appropriation

Description:
Prohibits landlords from evicting tenants where units are not habitable and limits tenants' liability. Exempts certain housing units from school impact fee requirements. Authorizes Hawaii Housing Finance and Development Corporation (HHFDC) to enter into ninety-nine year leases for condominiums on state lands. Prohibits discrimination based on participation in a housing assistance program. Specifies that certain provisions of the Internal Revenue Code do not apply with respect to claims for the state low-income housing tax credit. Appropriates funds for the State Rent Supplement Program. Amends the Hula Mae Multifamily revenue bond authorization amount.

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