
A BILL FOR AN ACT

RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY.

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

- 1 SECTION 1. Section 36-30, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:
- 3 "(a) Each special fund, except the:
- 4 (1) Transportation use special fund established by section
5 261D-1;
- 6 (2) Special out-of-school time instructional program fund
7 under section 302A-1310;
- 8 (3) School cafeteria special funds of the department of
9 education;
- 10 (4) Special funds of the University of Hawaii;
- 11 (5) State educational facilities improvement special fund;
- 12 ~~[(6) Special funds established by section 206E-6;~~
- 13 ~~+(7)]~~ (6) Aloha Tower fund created by section 206J-17;
- 14 ~~+(8)]~~ (7) Funds of the employees' retirement system created
15 by section 88-109;
- 16 ~~+(9)]~~ (8) Unemployment compensation fund established under
17 section 383-121;



- 1 [~~(10)~~] (9) Hawaii hurricane relief fund established under
2 section 431P-2;
- 3 [~~(11)~~] (10) Convention [~~+~~]center[~~+~~] enterprise special fund
4 established under section 201B-8;
- 5 [~~(12)~~] (11) Hawaii health systems corporation special funds
6 and the subaccounts of its regional system boards;
- 7 [~~(13)~~] (12) Tourism special fund established under section
8 201B-11;
- 9 [~~(14)~~] (13) Universal service fund established under section
10 269-42;
- 11 [~~(15)~~] (14) Emergency and budget reserve fund under section
12 328L-3;
- 13 [~~(16)~~] (15) Public schools special fees and charges fund
14 under section 302A-1130;
- 15 [~~(17)~~] (16) Sport fish special fund under section 187A-9.5;
- 16 [~~(18)~~] (17) Center for nursing special fund under section
17 304A-2163;
- 18 [~~(19)~~] (18) Passenger facility charge special fund
19 established by section 261-5.5;
- 20 [~~(20)~~] (19) Court interpreting services revolving fund under
21 section 607-1.5;
- 22 [~~(21)~~] (20) Hawaii cancer research special fund;



1 ~~[(+22)]~~ (21) Community health centers special fund;
 2 ~~[(+23)]~~ (22) Emergency medical services special fund; ~~[and]~~
 3 ~~[(+24)]~~ (23) Rental motor vehicle customer facility charge
 4 special fund established under section 261-5.6;
 5 ~~[(+25)]~~ (24) Shared services technology special fund under
 6 section 27-43; and
 7 ~~[(+26)]~~ (25) Automated victim information and notification
 8 system special fund established under section 353-136,
 9 shall be responsible for its pro rata share of the
 10 administrative expenses incurred by the department responsible
 11 for the operations supported by the special fund concerned."

12 SECTION 2. Section 46-102, Hawaii Revised Statutes, is
 13 amended as follows:

14 1. By amending the definition of "redevelopment agency"
 15 or "agency" to read:

16 "Redevelopment agency" or "agency" means an agency defined
 17 in section 53-1 ~~[or the Hawaii community development authority~~
 18 ~~as established pursuant to chapter 206E]."~~

19 2. By deleting the definition of "community development
 20 plan".

21 ~~["Community development plan" means a plan established~~
 22 ~~pursuant to section 206E-5."]~~



1 SECTION 3. Section 201H-23, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "[~~§~~201H-23] **For-sale developments.** Any law to the
4 contrary notwithstanding, new multifamily for-sale housing
5 condominium developments of seventy-five units or more per acre
6 on privately owned lands and privately financed without federal,
7 state, or county financing assistance or subsidies, including
8 tax credits, shall:

9 (1) Be exempt from the corporation's shared appreciation
10 equity program;

11 (2) Be subject to three-year occupancy requirements and
12 transfer restrictions; provided that the three-year
13 occupancy requirement shall begin upon the sale of
14 each unit; and

15 (3) Not be subject to the ten-year occupancy requirements
16 and transfer restrictions in sections 201H-47 and
17 201H-49, respectively;

18 provided that, in order for paragraphs (1), (2), and (3) to
19 apply, the primary purpose of constructing the new multifamily
20 for-sale housing condominium development of seventy-five units
21 or more per acre shall be to augment the existing affordable
22 housing unit inventory in the State and not for the purpose of



1 satisfying any affordable housing [~~or reserved housing~~]
2 requirement under this chapter[~~, section 206E-4(18),~~] or any
3 other law or ordinance.

4 As used in this section[+],

5 "[~~Affordable~~] affordable housing" means the same as defined
6 under section 201H-57.

7 [~~"Reserved housing" means the same as defined under section~~
8 ~~206E-101.~~]"

9 SECTION 4. Section 514A-14.5, Hawaii Revised Statutes, is
10 amended by amending subsection (c) to read as follows:

11 "(c) This section shall not apply:

12 (1) To apartments developed under chapter 201H, 346, or
13 356D;

14 (2) To apartments in a mixed-use project developed under
15 chapter 206E that has a shared parking program
16 approved by the Hawaii community development
17 authority[+] prior to June 30, 2014; provided that
18 such a program shall require the availability of the
19 use of not less than one parking space per apartment;
20 and



1 (3) To apartments designated in the declaration of
2 condominium property regime for hotel, time share,
3 transient vacation rental, or commercial use."

4 SECTION 5. Chapter 206E, Hawaii Revised Statutes, is
5 repealed.

6 SECTION 6. The duties of and functions formerly exercised
7 by the Hawaii community development authority under chapter
8 206E, Hawaii Revised Statutes, shall be transferred to and
9 exercised by the counties, as applicable.

10 SECTION 7. (a) The Hawaii community development authority
11 and the city and county of Honolulu shall convene a transition
12 working group to plan for the seamless transition of duties and
13 functions from the Hawaii community development authority to the
14 city and county of Honolulu. The executive director of the
15 Hawaii community development authority shall preside over the
16 transition working group.

17 (b) Among other issues, the transition working group shall
18 discuss and address the following:

19 (1) The district-wide improvement program under section
20 206E-6, Hawaii Revised Statutes;

21 (2) Hawaii community development revolving fund under
22 section 206E-16, Hawaii Revised Statutes;



1 (3) The expenditures of revolving funds under the Hawaii
2 community development authority exempt from
3 appropriation and allotment, pursuant to section 206E-
4 16.5, Hawaii Revised Statutes; and

5 (4) The applicability and application of the city and
6 county of Honolulu's zoning laws to geographical areas
7 under the Hawaii community development authority's
8 jurisdiction.

9 (c) The transition working group shall serve without
10 compensation but shall be reimbursed for expenses, including
11 travel expenses, incurred in the performance of their duties.

12 (d) The transition working group shall submit a report,
13 including any necessary proposed legislation, to the legislature
14 no later than twenty days prior to the convening of the regular
15 session of 2015.

16 SECTION 8. All officers and employees whose functions are
17 eliminated by this Act shall be transferred to the department of
18 business, economic development, and tourism with their functions
19 and shall continue to perform their regular duties upon their
20 transfer, subject to the state personnel laws and this Act.

21 No officer or employee of the State having tenure shall
22 suffer any loss of salary, seniority, prior service credit,



1 vacation, sick leave, or other employee benefit or privilege as
2 a consequence of this Act, and such officer or employee may be
3 transferred or appointed to a civil service position without the
4 necessity of examination; provided that the officer or employee
5 possesses the minimum qualifications for the position to which
6 transferred or appointed; and provided that subsequent changes
7 in status may be made pursuant to applicable civil service and
8 compensation laws.

9 An officer or employee of the State who does not have
10 tenure and who may be transferred or appointed to a civil
11 service position as a consequence of this Act shall become a
12 civil service employee without the loss of salary, seniority,
13 prior service credit, vacation, sick leave, or other employee
14 benefits or privileges and without the necessity of examination;
15 provided that such officer or employee possesses the minimum
16 qualifications for the position to which transferred or
17 appointed.

18 If an office or position held by an officer or employee
19 having tenure is abolished, the officer or employee shall not
20 thereby be separated from public employment, but shall remain in
21 the employment of the State with the same pay and classification
22 and shall be transferred to some other office or position for



1 which the officer or employee is eligible under the personnel
2 laws of the State as determined by the head of the department or
3 the governor.

4 SECTION 9. All appropriations, records, equipment,
5 machines, files, supplies, contracts, books, papers, documents,
6 maps, and other personal property heretofore made, used,
7 acquired, or held by the Hawaii community development authority
8 shall be transferred to the department of business, economic
9 development, and tourism.

10 SECTION 10. There is appropriated out of the general
11 revenues of the State of Hawaii the sum of \$ or so much
12 thereof as may be necessary for fiscal year 2014-2015 for the
13 working group identified in section 7 of this Act.

14 The sum appropriated shall be expended by the Hawaii
15 community development authority for the purposes of this Act.

16 SECTION 11. This Act does not affect rights and duties
17 that matured, penalties that were incurred, and proceedings that
18 were begun before its effective date.

19 SECTION 12. If any provision of this Act, or the
20 application thereof to any person or circumstance, is held
21 invalid, the invalidity does not affect other provisions or
22 applications of the Act that can be given effect without the



1 invalid provision or application, and to this end the provisions
2 of this Act are severable.

3 SECTION 13. This Act shall take effect on July 1, 2015;
4 provided that sections 7 and 10 shall take effect on July 1,
5 2014.

6

INTRODUCED BY:

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On

[Signature]

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JAN 17 2014



H.B. NO. 1864

Report Title:

Hawaii Community Development Authority

Description:

Repeals the Hawaii Community Development Authority.

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