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# A BILL FOR AN ACT

RELATING TO HOUSING.

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

1 PART I. THE HOMELESS

2 SECTION 1. Chapter 201G, Hawaii Revised Statutes, is  
3 amended by adding a new section in part IV to be appropriately  
4 designated and to read as follows:

5 "§201G- Temporary emergency housing. (a) In addition  
6 to any other duties prescribed by law, the administration shall  
7 develop in consultation with the four counties a procedure for  
8 identifying locations that shall be used for temporary emergency  
9 shelters for homeless individuals and families. The  
10 administration shall actively partner with and monitor the  
11 efforts of the counties.

12 (b) Each county shall be responsible for partnering with  
13 non-profit organizations to locate, designate, and maintain the  
14 areas that shall be used for temporary emergency shelters. The  
15 designated locations may include private, county, and state  
16 lands and federal lands at Kalaeloa.



1        (c) The administration shall pursue and secure Barbers  
2 Point Barracks as temporary housing for homeless families and  
3 individuals.

4        (d) The administration shall submit an annual report to  
5 the legislature detailing the activities and outcomes under this  
6 section no later than twenty days prior to the convening of each  
7 regular session."

8        SECTION 2. Section 201G-3, Hawaii Revised Statutes, is  
9 amended as follows:

10        1. By amending subsection (a) to read as follows:

11        "(a) There is created a board consisting of [~~nine~~] eleven  
12 members, of whom [~~eight~~] ten shall be public members appointed  
13 by the governor as provided in section 26-34. Public members  
14 shall be appointed from each of the counties of Honolulu,  
15 Hawaii, Maui, and Kauai. At least one public member shall be a  
16 person who is directly assisted by the administration under the  
17 federal low-rent public housing or federal section 8  
18 tenant-based housing assistance payments program while serving  
19 on the board. One public member shall be an advocate for  
20 low-income or homeless persons. One public member shall be a  
21 person with a disability or an advocate for persons with  
22 disabilities. The public members of the board shall serve



1 four-year staggered terms; provided that the initial  
2 appointments shall be as follows: four members to be appointed  
3 for four years; three members to be appointed for three years;  
4 and three members to be appointed for two years. The director of  
5 human services, or a designated representative, shall be an ex  
6 officio voting member. The administration shall be headed by the  
7 board."

8 2. By amending subsection (c) to read as follows:

9 "(c) [~~Five~~] Seven members shall constitute a quorum, whose  
10 affirmative vote shall be necessary for all actions by the  
11 administration. The members shall receive no compensation for  
12 services, but shall be entitled to necessary expenses, including  
13 travel expenses, incurred in the performance of their duties."

14 SECTION 3. There is appropriated out of the general  
15 revenues of the State of Hawaii the following sums for  
16 transitional housing:

17 (1) The sum of \$ \_\_\_\_\_, or so much thereof as may be  
18 necessary for fiscal year 2006-2007, for design and  
19 construction of new transitional shelters, as defined  
20 in section 201G-451, Hawaii Revised Statutes; and

21 (2) The sum of \$ \_\_\_\_\_, or so much thereof as may be  
22 necessary for fiscal year 2006-2007, for maintenance



1 and repair of existing transitional shelters and  
2 emergency shelters, as defined in section 201G-451,  
3 Hawaii Revised Statutes.

4 The sums appropriated shall be expended by the Hawaii  
5 public housing administration for the purposes of this section.

6 SECTION 4. There is appropriated out of the general  
7 revenues of the State of Hawaii the sum of \$ , or so  
8 much thereof as may be necessary for fiscal year 2006-2007, for  
9 support services for the homeless population located at homeless  
10 shelters.

11 The sum appropriated shall be expended by the Hawaii public  
12 housing administration for the purposes of this section.

13 SECTION 5. There is appropriated out of the general  
14 revenues of the State of Hawaii the sum of \$ , or so  
15 much thereof as may be necessary for fiscal year 2006-2007, for  
16 the shelter plus care program.

17 The sum appropriated shall be expended by the Hawaii public  
18 housing administration for the purposes of this section.

19 SECTION 6. There is appropriated out of the general  
20 revenues of the State of Hawaii the sum of \$ , or so  
21 much thereof as may be necessary for fiscal year 2006-2007, for  
22 housing placement programs for the homeless population.



1 The sum appropriated shall be expended by the Hawaii public  
2 housing administration for the purposes of this section.

3 SECTION 7. There is appropriated out of the general  
4 revenues of the State of Hawaii the sum of \$ , or so  
5 much thereof as may be necessary for fiscal year 2006-2007, for  
6 grants for homeless services and transitional housing program  
7 assistance.

8 The sum appropriated shall be expended by the Hawaii public  
9 housing administration for the purposes of this section;  
10 provided that any unencumbered balance on June 30, 2007, shall  
11 lapse to the rental housing trust fund under section 201G-432,  
12 Hawaii Revised Statutes.

13 SECTION 8. There is appropriated out of the general  
14 revenues of the State of Hawaii the following sums, or so much  
15 thereof as may be necessary for fiscal year 2006-2007, to assist  
16 the counties in implementing section 201G- (b), Hawaii Revised  
17 Statutes, and this Act:

18	City and county of Honolulu	\$
19	County of Kauai	\$
20	County of Maui	\$
21	County of Hawaii	\$
22	Total	\$

1 The sums appropriated shall be expended by the department  
2 of budget and finance for the purposes of this Act.

3 SECTION 9. The sums appropriated under section 8 of this  
4 Act shall constitute the State's share of the cost of mandated  
5 programs under article VIII, section 5, of the state  
6 constitution.

7 SECTION 10. There is appropriated out of the general  
8 revenues of the State of Hawaii the following sum, or so much  
9 thereof as may be necessary for fiscal year 2006-2007, to assist  
10 the administration in implementing section 201G- (c), Hawaii  
11 Revised Statutes, and this Act:

12 Hawaii public housing administration \$

13 The sum appropriated shall be expended by the department of  
14 human services for the purposes of this Act.

15 PART II. LOW-INCOME HOUSING

16 SECTION 11. Section 201G-1, Hawaii Revised Statutes, is  
17 amended by adding a new definition to be appropriately inserted  
18 and to read as follows:

19 "Relative caregiver" means a relative of a minor child by  
20 blood or marriage, who is a resident of the State and who:

21 (1) Lives with the child; and

1       (2) Is the child's primary caregiver, whether formally or  
2       informally, because the biological or adoptive parents  
3       are unwilling or unable to serve as the primary  
4       caregiver for the child."

5       SECTION 12. Section 201G-1, Hawaii Revised Statutes, is  
6       amended by amending the definition of "elder or elderly  
7       households" to read as follows:

8       ""Elder or elderly households" means households in which at  
9       least one member is sixty-two years of age, the spouse or  
10      partner has attained the age of majority, and the remaining  
11      members have attained the age of fifty-five years at the time of  
12      application to the project[-]; provided that in public housing  
13      projects, it also may include households in which an elder is  
14      the relative caregiver for one or more minor children. Such a  
15      child shall cease to be a resident of the household upon  
16      attaining the age of majority or upon the removal from the  
17      project of the elder. A live-in aide shall cease to be a  
18      resident therein upon the recovery of, or removal from the  
19      project of, the elder."

20      SECTION 13. Section 201G-42, Hawaii Revised Statutes, is  
21      amended to read as follows:



1           "§201G-42 Housing, tenant selection[-]; grandparents. (a)

2 Subject to the [~~following~~] limitations and preferences[7] set  
3 forth in this section, the administration shall select tenants  
4 upon the basis of those in greatest need for such housing.

5           (b) The administration may limit the tenants of any  
6 housing project to classes of persons when required by federal  
7 law or regulation as a term or condition of obtaining assistance  
8 from the federal government.

9           (c) Within the priorities established by the  
10 administration recognizing need, veterans with a permanent  
11 disability of ten per cent or more as certified by the United  
12 States Department of Veterans' Affairs, the dependent parents of  
13 the veteran, and the deceased veteran's widow shall be given  
14 first preference.

15           (d) Five per cent of state low-income public housing units  
16 shall be set aside as rentals for grandparents who are the  
17 primary caregivers for one or more of their grandchildren;  
18 provided that teachers housing under subpart G shall be  
19 excluded."

20           SECTION 14. Section 201G-152, Hawaii Revised Statutes, is  
21 amended by amending subsection (a) to read as follows:



1           "(a) In the administration of elder or elderly public  
2 housing, the administration shall observe the following with  
3 regard to resident selection, dwelling accommodations, and  
4 rentals:

5           (1) Except as hereinafter provided, it shall accept only  
6 elder or elderly households as residents in the elder  
7 or elderly public housing projects[+], except as  
8 provided in section 201G-42(d);

9           (2) It may accept as residents in any housing unit one or  
10 more persons, related or unrelated by marriage. It  
11 may also accept as a resident in any dwelling  
12 accommodation or in any elder or elderly public  
13 housing project, in the case of illness or other  
14 disability of an elder who is a resident in the  
15 dwelling accommodation or in the elder or elderly  
16 public housing project, a person designated by the  
17 elder as the elder's live-in aide whose qualifications  
18 as a live-in aide are verified by the administration,  
19 although the person is not an elder; provided that the  
20 person shall cease to be a resident therein upon the  
21 recovery of, or removal from the elder or elderly  
22 public housing project of, the elder;



1 (3) It may rent or lease to an elder a dwelling  
 2 accommodation consisting of any number of rooms as the  
 3 administration deems necessary or advisable to provide  
 4 safe and sanitary accommodations to the proposed  
 5 resident or residents thereof without overcrowding;  
 6 and

7 (4) Notwithstanding that the elder has no written rental  
 8 agreement or that it has expired, so long as the elder  
 9 continues to tender the usual rent to the  
 10 administration or proceeds to tender receipts for rent  
 11 lawfully withheld, no action or proceeding to recover  
 12 possession of the dwelling unit may be maintained  
 13 against the elder, nor shall the administration  
 14 otherwise cause the elder to quit the dwelling unit  
 15 involuntarily, demand an increase in rent from the  
 16 elder, or decrease the services to which the elder has  
 17 been entitled during hospitalization of the elder due  
 18 to illness or other disability."

19 SECTION 15. Section 201G-231, Hawaii Revised Statutes, is  
 20 amended to read as follows:

21 "[+]§201G-231[+] **Rent supplements.** (a) The  
 22 administration [~~is authorized to~~] may make, and contract to

1 make, annual payments to a "housing owner" on behalf of a  
2 "qualified tenant", as those terms are defined in this subpart,  
3 in [~~such~~] amounts and under [~~such~~] circumstances as are  
4 prescribed in or pursuant to this subpart. No payment on behalf  
5 of a qualified tenant shall exceed a segregated amount of [~~\$160~~]  
6 \$ \_\_\_\_\_ a month.

7 (b) The administration may use state rent supplement  
8 program funds for project-based operating subsidies for state  
9 low-income housing units that are transferred by the  
10 administration to private organizations for the purpose of  
11 managing and operating the units; provided that:

12 (1) Fifty per cent of the units are rented to persons or  
13 families whose income does not exceed fifty per cent  
14 of the median family income as determined by the  
15 United States Department of Housing and Urban  
16 Development; and

17 (2) The remainder of the units are rented to persons or  
18 families whose income does not exceed sixty per cent  
19 of the median family income as determined by the  
20 United States Department of Housing and Urban  
21 Development."



1 SECTION 16. Section 201G-233, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 **"§201G-233 Qualified tenant defined.** As used in this  
4 subpart, the term "qualified tenant" means any single person or  
5 family, pursuant to criteria and procedures established by the  
6 administration, that has been determined to have an income not  
7 exceeding the very low income limit [~~as determined by the~~  
8 ~~administration~~], exclusive of public assistance, pursuant to  
9 rules adopted by the administration; provided that the qualified  
10 tenant's primary place of residence shall be in the State [~~of~~  
11 ~~Hawaii~~] or that the qualified tenant intends to make the State  
12 [~~of Hawaii~~] the qualified tenant's primary place of residence.  
13 The terms "qualified tenant" and "tenant" include a member of a  
14 cooperative who satisfies the foregoing requirements and who,  
15 upon resale of the member's membership to the cooperative, will  
16 not be reimbursed for more than fifty per cent of any equity  
17 increment accumulated through payments under this subpart. With  
18 respect to members of a cooperative, the terms "rental" and  
19 "rental charges" mean the charges under the occupancy agreements  
20 between the members and the cooperative. [~~The term "qualified~~  
21 ~~tenant" shall not include any person receiving money payments~~  
22 ~~for public assistance from the department of human services;~~



1 ~~provided that the term "public assistance" shall exclude aid~~  
2 ~~provided through the federal Supplemental Security Income~~  
3 ~~Program.]"~~

4 SECTION 17. Section 235-110.8, Hawaii Revised Statutes, is  
5 amended to read as follows:

6 **"§235-110.8 Low-income housing tax credit.** (a) Section  
7 42 (with respect to low-income housing credit) of the Internal  
8 Revenue Code shall be operative for the purposes of this chapter  
9 as provided in this section.

10 (b) Each taxpayer subject to the tax imposed by this  
11 chapter, who has filed [+]a[+] net income tax return for a  
12 taxable year may claim a low-income housing tax credit against  
13 the taxpayer's net income tax liability. The amount of the  
14 credit shall be deductible from the taxpayer's net income tax  
15 liability, if any, imposed by this chapter for the taxable year  
16 in which the credit is properly claimed on a timely basis. A  
17 credit under this section may be claimed whether or not the  
18 taxpayer claims a federal low-income housing tax credit pursuant  
19 to section 42 of the Internal Revenue Code.

20 (c) The low-income housing tax credit shall be fifty per  
21 cent of the applicable percentage of the qualified basis of each  
22 building located in Hawaii. The applicable percentage shall be



1 calculated as provided in section 42(b) of the Internal Revenue  
2 Code.

3 (d) Construction of new affordable housing units and  
4 rehabilitation of existing affordable housing units shall  
5 qualify a taxpayer to be eligible for the low-income housing tax  
6 credit. For purposes of this subsection, "affordable housing"  
7 means a housing unit for an individual or family at or below one  
8 hundred forty per cent of the median family income as determined  
9 by the United States Department of Housing and Urban  
10 Development.

11 [~~(d) For~~] (e) Except as provided in subsection (d), for  
12 the purposes of this section, the determination of:

- 13 (1) Qualified basis and qualified low-income building
- 14 shall be made under section 42(c);
- 15 (2) Eligible basis shall be made under section 42(d);
- 16 (3) Qualified low-income housing project shall be made
- 17 under section 42(g);
- 18 (4) Recapture of credit shall be made under section 42(j),
- 19 except that the tax for the taxable year shall be
- 20 increased under section 42(j)(1) only with respect to
- 21 credits that were used to reduce state income taxes;
- 22 and

1           (5) Application of at-risk rules shall be made under  
2           section 42(k);  
3 of the Internal Revenue Code.

4           ~~(e)~~ (f) As provided in section 42(e), rehabilitation  
5 expenditures shall be treated as separate new building and their  
6 treatment under this section shall be the same as in section  
7 42(e). The definitions and special rules relating to credit  
8 period in section 42(f) and the definitions and special rules in  
9 section 42(i) shall be operative for the purposes of this  
10 section.

11          ~~(f)~~ (g) The state housing credit ceiling under section  
12 42(h) shall be zero for the calendar year immediately following  
13 the expiration of the federal low-income housing tax credit  
14 program and for any calendar year thereafter, except for the  
15 carryover of any credit ceiling amount for certain projects in  
16 progress which, at the time of the federal expiration, meet the  
17 requirements of section 42.

18          ~~(g)~~ (h) The credit allowed under this section shall be  
19 claimed against net income tax liability for the taxable year.  
20 For the purpose of deducting this tax credit, net income tax  
21 liability means net income tax liability reduced by all other  
22 credits allowed the taxpayer under this chapter.



1 A tax credit under this section [~~which~~] that exceeds the  
 2 taxpayer's income tax liability may be used as a credit against  
 3 the taxpayer's income tax liability in subsequent years until  
 4 exhausted. All claims for a tax credit under this section  
 5 [~~must~~] shall be filed on or before the end of the twelfth month  
 6 following the close of the taxable year for which the credit may  
 7 be claimed. Failure to properly and timely claim the credit  
 8 shall constitute a waiver of the right to claim the credit. A  
 9 taxpayer may claim a credit under this section only if the  
 10 building or project is a qualified low-income housing building  
 11 or a qualified low-income housing project under section 42 of  
 12 the Internal Revenue Code.

13 Section 469 (with respect to passive activity losses and  
 14 credits limited) of the Internal Revenue Code shall be applied  
 15 in claiming the credit under this section.

16 [~~(h)~~] (i) The director of taxation may adopt any rules  
 17 under chapter 91 and forms necessary to carry out this section."

18 SECTION 18. There is appropriated out of the general  
 19 revenues of the State of Hawaii the sum of \$ \_\_\_\_\_, or so  
 20 much thereof as may be necessary for fiscal year 2006-2007, for  
 21 deposit into the rental housing trust fund under section  
 22 201G-432, Hawaii Revised Statutes.





1 The sum appropriated shall be expended by the Hawaii public  
2 housing administration for the purposes of this part.

3 SECTION 19. There is appropriated out of state low-income  
4 housing revolving fund under section 201G-45, Hawaii Revised  
5 Statutes, the sum of \$ , or so much thereof as may be  
6 necessary for fiscal year 2006-2007, for repair and maintenance  
7 of public housing projects.

8 The sum appropriated shall be expended by the Hawaii public  
9 housing administration for the purposes of this part.

10 SECTION 20. There is appropriated out of the general  
11 revenues of the State of Hawaii the sum of \$ , or so  
12 much thereof as may be necessary for fiscal year 2006-2007, to  
13 repair and modernize vacant units in federal and state public  
14 housing projects.

15 The sum appropriated shall be expended by the Hawaii public  
16 housing administration for the purposes of this part.

17 PART III. AFFORDABLE HOUSING

18 SECTION 21. Chapter 235, Hawaii Revised Statutes, is  
19 amended by adding a new part to be appropriately designated and  
20 to read as follows:

21 "PART . MORTGAGE CREDIT CERTIFICATES

22 §235-A Definitions. As used in this part:



1 "Certificate credit rate" means the rate of the credit  
2 allowable by this part that is specified in the mortgage credit  
3 certificate.

4 "Certified indebtedness amount" means the amount of  
5 indebtedness that is incurred by the taxpayer to acquire the  
6 principal residence of the taxpayer and specified in the  
7 mortgage credit certificate.

8 "Mortgage credit certificate" means any certificate that is  
9 issued under a qualified mortgage credit certificate program to  
10 the taxpayer in connection with the acquisition of the  
11 taxpayer's principal residence, specifies the certificate credit  
12 rate and the certified indebtedness amount, and is in a form as  
13 the director of taxation may prescribe.

14 "Principal residence" has the same meaning as used in  
15 section 121 of the federal Internal Revenue Code of 1986, as  
16 amended.

17 "Qualified mortgage credit certificate program" means any  
18 program:

19 (1) Under which the indebtedness certified by mortgage  
20 credit certificates meets the following requirements:

21 (A) The residence financed by the indebtedness is a  
22 single-family residence in the State that can



1 reasonably be expected to become the principal  
2 residence of the mortgagor within a reasonable  
3 time after the financing is provided;

4 (B) The mortgagor had no present ownership interest  
5 in the mortgagor's principal residence at any  
6 time during the three-year period ending on the  
7 date that the mortgage is executed;

8 (C) The purchase price of the residence financed by  
9 the indebtedness does not exceed \$ ; and

10 (D) The income of the mortgagor does not exceed  
11 \$ ;

12 (2) Under which no mortgage credit certificate may be  
13 issued with respect to any residence for which any of  
14 the financing is provided from the proceeds of a  
15 qualified mortgage bond or a qualified veterans'  
16 mortgage bond;

17 (3) Except to the extent provided in rules, that is not  
18 limited to indebtedness incurred from particular  
19 lenders; and

20 (4) Except to the extent provided in rules, that provides  
21 that a mortgage credit certificate is not  
22 transferable.



1           **§235-B Allowance of credit.** (a) There shall be allowed  
2 as a credit against the tax imposed by this chapter, for the  
3 taxable year, an amount equal to the product of:

4           (1) The certificate credit rate; and

5           (2) The interest paid or accrued by the taxpayer during  
6 the taxable year on the remaining principal of the  
7 certified indebtedness amount.

8           (b) If the certificate credit rate exceeds twenty per  
9 cent, the amount of the credit allowed to the taxpayer under  
10 this section for any taxable year shall not exceed \$2,000.

11           (c) If two or more persons hold interests in any  
12 residence, the limitation of subsection (b) shall be allocated  
13 among the persons in proportion to their respective interests in  
14 the residence.

15           **§235-C Determination of certificate credit rate.** For  
16 purposes of this part, the certificate credit rate specified in  
17 any mortgage credit certificate shall not be less than ten per  
18 cent or more than fifty per cent.

19           **§235-D Aggregate limit on certificate credit rates.** In  
20 the case of each qualified mortgage credit certificate program,  
21 the sum of the products determined by multiplying the certified  
22 indebtedness amount of each mortgage credit certificate issued



1 under the program, by the certificate credit rate with respect  
2 to the certificate, shall not exceed the amount authorized by  
3 the legislature for that year by adoption of a concurrent  
4 resolution.

5 **§235-E Carry forward of unused credit.** (a) If the credit  
6 allowable under this part for any taxable year exceeds the  
7 applicable tax limit for the taxable year, the excess shall  
8 carryover to each of the three succeeding taxable years and,  
9 subject to the limitations of subsection (b), shall be added to  
10 the credit allowable by this part for the succeeding taxable  
11 year.

12 (b) The amount of the unused credit that may be taken into  
13 account under this section for any taxable year shall not exceed  
14 the amount, if any, by which the applicable tax limit for the  
15 taxable year exceeds the sum of:

16 (1) The credit allowable under this part for the taxable  
17 year determined without regard to this section; and

18 (2) The amounts that, by reason of this section, are  
19 carried to the taxable year and are attributable to  
20 taxable years before the unused credit year.

21 **§235-F Indebtedness not treated as certified where certain**  
22 **requirements not, in fact, met.** (a) This part shall not apply



1 to any indebtedness if all the requirements of section 235- ,  
2 were not, in fact, met with respect to the indebtedness.

3 (b) Except to the extent otherwise provided in rules  
4 adopted by the director, the requirements under this part shall  
5 be treated as met if there is a certification, under penalty of  
6 perjury, that the requirements are met.

7 **§235-G Period for which certificate in effect.** (a)

8 Except as otherwise provided in this part, a mortgage credit  
9 certificate shall be treated as in effect with respect to  
10 interest attributable to the period:

11 (1) Beginning on the date the certificate is issued; and

12 (2) Ending on the earlier of:

13 (A) The date that is specified in the certificate; or

14 (B) The date on which the residence to which the  
15 certificate relates ceases to be the principal  
16 residence of the individual to whom the  
17 certificate relates.

18 (b) A certificate shall not apply to any indebtedness that  
19 is incurred after the close of the second calendar year  
20 following the calendar year in which the certificate is issued.

21 **§235-H Interest paid or accrued to related persons.** No

22 credit shall be allowed under this part for any interest paid or



1 accrued to a person who is a related person to the taxpayer,  
2 within the meaning of section 144(a)(3)(A) of the federal  
3 Internal Revenue Code of 1986, as amended.

4 **§235-I Reporting requirements.** (a) Each person who makes  
5 a loan that is a certified indebtedness amount under any  
6 mortgage credit certificate shall file a report with the  
7 director containing:

8 (1) The name, address, and social security account number  
9 of the individual to which the certificate was issued;

10 (2) The certificate's issuer, date of issue, certified  
11 indebtedness amount, and certificate credit rate; and

12 (3) Any other information as the director may require by  
13 rules.

14 (b) Each person who issues a mortgage credit certificate  
15 shall file a report showing the information as the director  
16 shall prescribe by rules. Any report shall be filed at a time  
17 and in a manner as the director may require by rules.

18 **§235-J Rules.** The director shall adopt rules pursuant to  
19 chapter 91 as may be necessary to carry out the purposes of this  
20 part, including rules that may require recipients of mortgage  
21 credit certificates to pay a reasonable processing fee to defray  
22 the expenses incurred in administering the program."



1 SECTION 22. There is appropriated out of the general  
2 revenues of the State of Hawaii the sum of \$ , or so  
3 much thereof as may be necessary for fiscal year 2006-2007, for  
4 the homeownership project of Habitat for Humanity, to prevent  
5 homelessness.

6 The sum appropriated shall be expended by the Hawaii public  
7 housing administration for the purposes of this part.

8 SECTION 23. The director of finance is authorized to issue  
9 general obligation bonds in the sum of \$ , or so much  
10 thereof as may be necessary, and the same sum, or so much  
11 thereof as may be necessary, is appropriated for fiscal year  
12 2006-2007, for the purpose of the development of affordable  
13 housing.

14 The bond issuance shall finance projects of for-profit and  
15 non-profit entities or organizations for development of mixed  
16 use projects; provided that per cent of such projects  
17 shall be reserved for persons and families below fifty per cent  
18 of the state median income level, and per cent shall be  
19 reserved for persons and families below thirty per cent of the  
20 state median income level.

21 SECTION 24. The appropriation made for the capital  
22 improvement project authorized by this part shall not lapse at



1 the end of the fiscal biennium for which the appropriation is  
2 made; provided that all moneys from the appropriation  
3 unencumbered as of June 30, 2008, shall lapse as of that date.

4 SECTION 25. The sum appropriated shall be expended by the  
5 Hawaii public housing administration pursuant to section  
6 201G-113(e), Hawaii Revised Statutes, for the purposes of this  
7 part.

8 SECTION 26. There is appropriated out of the general  
9 revenues of the State of Hawaii the sum of \$ , or so  
10 much thereof as may be necessary for fiscal year 2006-2007, for  
11 the purposes of this part.

12 The sum appropriated shall be expended by the department of  
13 taxation for the purposes of this part.

14 SECTION 27. The department of land and natural resources  
15 shall initiate transfer to the Hawaii housing finance and  
16 development administration, no later than December 1, 2006, the  
17 lands identified in Appendix F of the Joint Legislative Housing  
18 and Homeless Task Force Report to the 2006 regular session of  
19 the legislature as suitable for affordable housing development.

20 SECTION 28. There is appropriated out of the general  
21 revenues of the State of Hawaii the sum of \$ , or so  
22 much thereof as may be necessary for fiscal year 2006-2007, for



1 interim construction loans for up to ten homes to be developed  
2 as self-help ownership homes by private organizations or  
3 community trusts on land leased from the State and administered  
4 in accordance with subpart B of part III of chapter 201G, Hawaii  
5 Revised Statutes.

6 The sum appropriated shall be expended by the Hawaii  
7 housing finance and development administration for the purposes  
8 of this part.

9 PART IV. GENERAL PROVISIONS

10 SECTION 29. In codifying the new sections added by section  
11 21 of this Act, the revisor of statutes shall substitute  
12 appropriate section numbers for the letters used in designating  
13 the new sections in this Act.

14 SECTION 30. Statutory material to be repealed is bracketed  
15 and stricken. New statutory material is underscored.

16 SECTION 31. This Act shall take effect on July 1, 2006;  
17 provided that sections 17 and 21 shall apply to taxable years  
18 beginning after December 31, 2005.



**Report Title:**

Housing Omnibus Bill

**Description:**

Requires public housing set asides for grandparents raising grandchildren; makes appropriations for repair and maintenance of public housing, improvements to infrastructure for new and existing transitional housing, support services provided by homeless shelters, shelter care plus program, housing placement program, habitat for humanity, and rental housing trust fund. Authorizes bond issuance for affordable housing. Allows public assistance recipients to receive rental income supplements. Amends rental income supplements. Appropriates funds for homeless and transitional housing programs. Appropriates funds to repair vacant public housing units. Allows state-owned parcels to be leased for the development of self-help housing. Amends the state low-income housing tax credit to be used for construction and rehabilitation of existing affordable housing units. Assists low and moderate income home buyers by providing a state income tax mortgage credit certificate program. Also requires the Hawaii Public Housing Administration to actively partner with the counties to identify locations for temporary emergency shelters for homeless individuals and families. Appropriates funds. (SD2)

