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# A BILL FOR AN ACT

RELATING TO HOUSING.

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

1           SECTION 1. Section 201G-432, Hawaii Revised Statutes, is  
2 amended by amending subsection (e) to read as follows:

3           "(e) Moneys available in the fund shall be used for the  
4 purpose of providing, in whole or in part, loans or grants for  
5 rental housing projects [~~in the following order of priority:~~

6           ~~(1) Projects or units in projects that are allocated~~  
7           ~~low-income housing credits pursuant to the state~~  
8           ~~housing credit ceiling under section 42(h) of the~~  
9           ~~Internal Revenue Code of 1986, as amended, or projects~~  
10           ~~or units in projects that are funded by programs of~~  
11           ~~the United States Department of Housing and Urban~~  
12           ~~Development and United States Department of~~  
13           ~~Agriculture Rural Development wherein:~~

14           ~~(A) At least fifty per cent of the available units~~  
15           ~~are for persons and families with incomes at or~~  
16           ~~below eighty per cent of the median family income~~  
17           ~~of which at least five per cent of the available~~  
18           ~~units are for persons and families with incomes~~





1           (2) Section 37 shall take effect upon the date specified  
 2           by the governor pursuant to the notice provided under  
 3           section 36 of this Act if, prior to July 1, 2007, the  
 4           United States Department of Housing and Urban  
 5           Development declares the [~~housing and community~~  
 6           ~~development corporation of Hawaii~~] Hawaii housing  
 7           finance and development administration to be in  
 8           substantial default of the Memorandum of  
 9           [~~Understanding~~] Agreement dated September 30, 2004;  
 10          and

11          (3) Sections 36 and 37 shall be repealed on [~~July 1, 2007,~~  
 12          and

13          ~~(4) Section 5 shall be repealed on June 30, 2010, and~~  
 14          ~~section 201G-432, Hawaii Revised Statutes, shall be~~  
 15          ~~reenacted in the form in which it read on the day~~  
 16          ~~prior to the effective date of this Act.]~~  
 17          July 1, 2007."

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 Statutory material to be repealed is bracketed  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

20          SECTION 4. This Act shall take effect on July 1, 2050.

SB2318,SD1

**Report Title:**

Housing; Rental Housing Trust Fund

**Description:**

Allows funds from the rental housing trust fund to be used for projects for families who earn up to 140 percent of the area median income. (SD1)

