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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. The legislature finds that the closure of Del  
2 Monte Fresh Produce will result in significant negative impacts  
3 to Kunia pineapple workers. Housing ranks among their primary  
4 concerns. Currently, many employees and their families live in  
5 plantation homes owned by the company at Kunia Camp. With the  
6 closure of Del Monte Fresh Produce, many of these families face  
7 the possibility of losing their homes. Housing is a fundamental  
8 need, to which every person should have access.

9           With the loss of their jobs, many employees will undergo a  
10 transition period as they seek new employment, participate in  
11 job training programs, or seek other opportunities. While  
12 incomes may be greatly diminished, these employees must continue  
13 to make their housing payments and meet other living expenses.  
14 Many former employees in transition may find it difficult to  
15 qualify for loans under conventional loan-writing standards.

16           The purposes of this Act are to assist Kunia pineapple  
17 workers in danger of losing their homes by:



- 1 (1) Establishing a program of low-interest loans and  
2 grants for home acquisition and rehabilitation;
- 3 (2) Establishing a rental assistance program for rental of  
4 safe, decent, and sanitary units in the private  
5 market; and
- 6 (3) Providing supportive services to prepare current  
7 renters for homeownership.

## 8 PART I

9 SECTION 2. Chapter 201H, Hawaii Revised Statutes, is  
10 amended by adding a new section to be appropriately designated  
11 and to read as follows:

12 **"§201H-A Kunia camp housing revolving fund; established.**

13 (a) There is established in the state treasury the Kunia camp  
14 housing revolving fund to provide low interest loans or grants  
15 for the acquisition, rehabilitation, or reconstruction of  
16 existing homes in Kunia camp by pineapple workers who are  
17 displaced by the closure of Del Monte Fresh Produce and who have  
18 been denied loans from traditional financial institutions. The  
19 Kunia camp housing revolving fund shall be administered by the  
20 Hawaii housing finance and development administration.



1       (b) Low interest loans may be made to nonprofit  
2 organizations that assist pineapple workers displaced by the  
3 closure of Del Monte Fresh Produce.

4       (c) The rate of interest on loans executed pursuant to  
5 this section shall not exceed three per cent per year. Interest  
6 earnings on loans made pursuant to this section may be used for  
7 administrative and other expenses necessary for administering  
8 the loan program. Guidelines shall be established by the Hawaii  
9 housing finance and development administration with respect to  
10 loan terms and loan qualification criteria. Moneys appropriated  
11 for the purposes of this section shall be deposited into the  
12 Kunia camp housing revolving fund; provided that upon  
13 fulfillment of the purposes of this section, all unencumbered  
14 moneys shall lapse into the state general fund.

15       (d) The Hawaii housing finance and development  
16 administration shall adopt rules in accordance with chapter 91  
17 to effectuate the purposes of this section."

18       SECTION 3. 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 Kunia camp housing revolving fund established  
22 under section 201H-A, Hawaii Revised Statutes, to provide low-



1 interest loans or grants for the acquisition, rehabilitation, or  
2 reconstruction of homes for pineapple workers displaced by the  
3 closure of Del Monte Fresh Produce and to fund related  
4 activities. The fund shall be administered by the Hawaii  
5 housing finance and development administration.

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 II

10 SECTION 4. Chapter 201H, Hawaii Revised Statutes, is  
11 amended by adding a new section to be appropriately designated  
12 and to read as follows:

13 **"§201H-B Kunia camp rental housing fund; established.** (a)  
14 There is established in the state treasury the Kunia camp rental  
15 housing fund to make annual payments to a landlord to provide  
16 rent subsidies for eligible Del Monte pineapple workers and  
17 their families seeking safe, decent, and sanitary housing in the  
18 private market. The Kunia camp rental housing fund shall be  
19 administered by the Hawaii housing finance and development  
20 administration.

21 (b) Moneys appropriated for the purposes of this section  
22 shall be deposited into the Kunia camp rental housing fund;



1 provided that upon fulfillment of the purposes of this section,  
2 all unencumbered moneys shall lapse into the state general fund.  
3 Guidelines shall be established by the Hawaii housing finance  
4 and development administration with respect to rental assistance  
5 payments under this section.

6 (c) The Hawaii housing finance and development  
7 administration shall adopt rules in accordance with chapter 91  
8 to effectuate the purposes of this section."

9 SECTION 5. There is appropriated out of the general  
10 revenues of the State of Hawaii the sum of \$ , or so  
11 much thereof as may be necessary for fiscal year 2006-2007, for  
12 deposit into the Kunia camp rental housing fund established  
13 under section 201H-B, Hawaii Revised Statutes, to provide rent  
14 subsidies for eligible Del Monte pineapple workers and their  
15 families seeking safe, decent, and sanitary housing in the  
16 private market. The fund shall be administered by the Hawaii  
17 housing finance and development administration.

18 The sum appropriated shall be expended by the Hawaii  
19 housing finance and development administration for the purposes  
20 of this part.

21 PART III

1 SECTION 6. Chapter 201H, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4 **"§201H-C Kunia camp homeownership counseling program;**  
5 **established.** (a) There is established within the Hawaii  
6 housing finance and development administration a homeownership  
7 counseling program known as the "Kunia camp homeownership  
8 counseling program" to provide displaced pineapple workers with  
9 homebuyer education and counseling.

10 (b) The Hawaii housing finance and development  
11 administration may secure the services of a public or private  
12 entity to carry out the purposes of this section."

13 SECTION 7. 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, to  
16 effectuate the Kunia camp homeownership counseling program.

17 The sum appropriated shall be expended by the Hawaii  
18 housing finance and development administration for the purposes  
19 of this part.

20 PART IV

21 SECTION 8. In codifying the new sections added by this  
22 Act, the revisor of statutes shall substitute appropriate



1 section numbers for the letters used in designating the new  
2 sections in this Act.

3 SECTION 9. New statutory material is underscored.

4 SECTION 10. This Act shall take effect upon July 1, 2006.

SB2773, SD2

**Report Title:**

Housing Assistance; Kunia; Omnibus

**Description:**

For displaced pineapple workers at Kunia, Oahu, establishes a program for low-interest loans and grants; establishes a rental assistance program for rental of safe, decent, and sanitary units in the private market; and provides supportive services to prepare displaced workers for homeownership. (SD2)

