H.B. NO. H.D. 1

# 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 have a significant adverse effect on pineapple workers. Housing ranks among their primary concerns. 3 4 Currently, many employees, retirees, and their families live in 5 plantation homes owned by the company at the Kunia camp and by 6 Hawaiian Island Homes at the Poamoho camp. With the closure of 7 Del Monte Fresh Produce, many of these families face the 8 possibility of losing their homes. Housing is a fundamental 9 need, to which every person should have access.

10 With the loss of their jobs, many employees and retirees 11 will undergo a transition period as they seek new employment, 12 participate in job training programs, or seek other 13 opportunities. While employee incomes may be greatly 14 diminished, employees and retirees must continue to make their 15 housing payments and meet other living expenses. Many former 16 employees and retirees in transition may find it difficult to qualify for loans under conventional loan-writing standards. 17

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1	The	legislature finds that providing assistance to these
2	employees	, retirees, and their families is for the benefit of
3	the publi	c health, safety, and welfare of the state.
4	The	purpose of this Act is to assist Kunia and Poamoho
5	pineapple	employees and retirees in danger of losing their homes
6	by:	
7	(1)	Establishing a program of low-interest loans and
8		grants for home acquisition and rehabilitation;
9	(2)	Establishing a rental assistance program for rental of
10		safe, decent, and sanitary units in the private
11		market; and
12	(3)	Providing supportive services to prepare current
13		renters for homeownership.
14		PART I
15	SECT	ION 2. Chapter 201H, Hawaii Revised Statutes, is
16	amended b	y adding a new section to be appropriately designated
17	and to re	ad as follows:
18	" <u>§20</u>	1H-A Pineapple employees and retirees housing
19	revolving	fund; established. (a) There is established in the
20	<u>state tre</u>	asury the pineapple employees and retirees housing
21	revolving	fund to provide low-interest loans or grants for:



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1	(1)	The acquisition, rehabilitation, or reconstruction of
2		existing homes in the Kunia and Poamoho camps; and
3	(2)	Assistance to employees and retirees of Del Monte
4		Fresh Produce acquiring housing elsewhere,
5	who are d	isplaced or affected by the closure of Del Monte Fresh
6	Produce a	nd who have been denied loans from traditional
7	financial	institutions. The pineapple employees and retirees
8	housing r	evolving fund shall be administered by the corporation.
9	(b)	Low-interest loans may be made to nonprofit
10	organizat	ions that assist pineapple workers or retirees
11	displaced	or affected by the closure of Del Monte Fresh Produce.
12	(c)	The rate of interest on loans executed pursuant to
13	this sect	ion shall not exceed three per cent per year. Interest
14	earnings	on loans made pursuant to this section may be used for
15	administr	ative and other expenses necessary for administering
16	the loan	program. Guidelines shall be established by the
17	<u>corporati</u>	on with respect to loan terms and loan qualification
18	criteria.	Moneys appropriated for the purposes of this section
19	shall be	deposited into the pineapple employees and retirees
20	housing r	evolving fund; provided that upon fulfillment of the
21	purposes	of this section, all unencumbered moneys shall lapse
22	into the	general fund.

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2 chapter 91 to effectuate the purposes of this section." 3 SECTION 3. There is appropriated out of the general 4 revenues of the State of Hawaii the sum of \$ or so much 5 thereof as may be necessary for fiscal year 2007-2008 and the 6 same sum or so much thereof as may be necessary for fiscal year 7 2008-2009 for deposit into the pineapple employees and retirees 8 housing revolving fund established under section 201H-A, Hawaii 9 Revised Statutes. 10 SECTION 4. There is appropriated out of the pineapple 11 employees and retirees housing revolving fund the sum of \$ or so much thereof as may be necessary for fiscal year 2007-2008 12 13 and the same sum or so much thereof as may be necessary for 14 fiscal year 2008-2009 to provide low-interest loans or grants 15 for the acquisition, rehabilitation, or reconstruction of homes in the Kunia and Poamoho camps and to assist other pineapple 16

(d) The corporation shall adopt rules in accordance with

17 workers or retirees displaced or affected by the closure of Del18 Monte Fresh Produce and to fund related activities.

19 The sums appropriated shall be expended by the Hawaii
20 housing finance and development corporation for the purposes of
21 this part.



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1	PART II
2	SECTION 5. Chapter 201H, Hawaii Revised Statutes, is
3	amended by adding a new section to be appropriately designated
4	and to read as follows:
5	" <u>§201H-B</u> Pineapple employees and retirees rental housing
6	fund; established. (a) There is established in the state
7	treasury the pineapple employees and retirees rental housing
8	fund to make annual payments to a landlord to provide rent
9	subsidies for eligible Del Monte Fresh Produce pineapple workers
10	and retirees and their families who are displaced or affected by
11	the closure of Del Monte Fresh Produce and are seeking safe,
12	decent, and sanitary housing in the private market. The
13	pineapple employees and retirees rental housing fund shall be
14	administered by the corporation.
15	(b) Moneys appropriated for the purposes of this section
16	shall be deposited into the pineapple employees and retirees
17	rental housing fund; provided that upon fulfillment of the
18	purposes of this section, all unencumbered moneys shall lapse
19	into the general fund. Guidelines shall be established by the
20	corporation with respect to eligible Del Monte Fresh Produce
21	pineapple employees and retirees and rental assistance payments
22	under this section.



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1	(c) The corporation shall adopt rules in accordance with
2	chapter 91 to effectuate the purposes of this section."
3	SECTION 6. There is appropriated out of the general
4	revenues of the State of Hawaii the sum of \$ or so much
5	thereof as may be necessary for fiscal year 2007-2008 and the
6	same sum or so much thereof as may be necessary for fiscal year
7	2008-2009 for deposit into the pineapple employees and retirees
8	rental housing fund established under section 201H-B, Hawaii
9	Revised Statutes.
10	SECTION 7. There is appropriated out of the pineapple
11	employees and retirees rental housing fund the sum of \$ or
12	so much thereof as may be necessary for fiscal year 2007-2008
13	and the same sum or so much thereof as may be necessary for
14	fiscal year 2008-2009 to provide rent subsidies for eligible Del
15	Monte Fresh Produce pineapple employees and retirees and their
16	families who are displaced or affected by the closure of Del
17	Monte Fresh Produce and are seeking safe, decent, and sanitary
18	housing in the private market.

19 The sums appropriated shall be expended by the Hawaii
20 housing finance and development corporation for the purposes of
21 this part.

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1	PART III
2	SECTION 8. Chapter 201H, Hawaii Revised Statutes, is
3	amended by adding a new section to be appropriately designated
4	and to read as follows:
5	" <u>§201H-C</u> Pineapple employees and retirees homeownership
6	counseling program; established. (a) There is established
7	within the corporation the pineapple employees and retirees
8	homeownership counseling program to provide pineapple employees
9	and retirees who are displaced or affected by the closure of Del
10	Monte Fresh Produce with homebuyer education and counseling.
11	(b) The corporation may secure the services of a public or
12	private entity to carry out the purposes of this section."
13	SECTION 9. There is appropriated out of the general
14	revenues of the State of Hawaii the sum of \$ or so much
15	thereof as may be necessary for fiscal year 2007-2008 and the
16	same sum or so much thereof as may be necessary for fiscal year
17	2008-2009 to effectuate the pineapple employees and retirees
18	homeownership counseling program established under section
19	201H-C, Hawaii Revised Statutes.
20	The sums appropriated shall be expended by the Hawaii
21	housing finance and development corporation for the purposes of
22	this part.

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1	PART IV
2	SECTION 10. In codifying the new sections added by this
3	Act, the revisor of statutes shall substitute appropriate
4	section numbers for the letters used in designating the new
5	sections in this Act.
6	SECTION 11. New statutory material is underscored.
7	SECTION 12. This Act shall take effect on July 1, 2007.

#### Report Title:

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Housing; Pineapple Employees and Retirees

#### Description:

Establishes a program for low-interest loans and grants for home acquisition and rehabilitation for displaced or affected pineapple plantation workers. Establishes a rental assistance program for displaced or affected workers. Provides supportive services to prepare displaced or affected workers for homeownership. Appropriates funds. (HB835 HD1)

