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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. Chapter 201H, Hawaii Revised Statutes, is  
2 amended by adding a new section under subpart B of part III to  
3 be appropriately designated and to read as follows:

4           "§201H- Affordable housing loan revolving fund; loan  
5 program. (a) There is established within the corporation the  
6 affordable housing loan revolving fund. The affordable housing  
7 loan revolving fund shall consist of:

8           (1) Fees collected from developers under subsection (b);

9           (2) Funds appropriated by the legislature to the fund or  
10 contributed or transferred to the fund; and

11           (3) Funds received as repayment of loans and interest  
12 payments.

13           (b) Developers of all housing projects shall contribute a  
14 percentage of the gross sale price received from the sale of the  
15 project to the affordable housing loan revolving fund. The  
16 percentage of the gross sale price to be deposited into the  
17 affordable housing loan and revolving fund shall be determined



1 by the corporation and shall be at least two per cent, but no  
2 more than six per cent.

3 (c) Moneys in the affordable housing loan revolving fund  
4 shall be expended by the corporation to provide home loans to  
5 eligible borrowers as determined by the corporation; provided  
6 that:

7 (1) The eligible borrower shall meet the owner-occupancy  
8 requirements under sections 201H-47 and 201H-92; and

9 (2) Loans are provided at interest rates of no less than  
10 an annual percentage rate of one per cent and no more  
11 than three per cent.

12 (d) Upon the sale of a home financed under this section,  
13 five per cent of the sale price of the home shall be deposited  
14 into the affordable housing loan revolving fund.

15 (e) All interest earned on the deposit or investment of  
16 the moneys in the fund shall become a part of the fund.

17 (f) The corporation shall submit an annual report to the  
18 legislature on all the moneys deposited into and disbursed from  
19 the affordable housing loan revolving fund."

20 SECTION 2. New statutory material is underscored.



# H.B. NO. 2990

1           SECTION 3. This Act shall take effect on July 1, 2008, and  
2 shall not apply to developments that were initiated prior to the  
3 effective date of this Act.

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INTRODUCED BY: \_\_\_\_\_

*[Signature]*  
Kal Moad  
Ben Wood  
*[Signature]*

JAN 22 2008



**Report Title:**

Affordable Housing Loan Revolving Fund

**Description:**

Establishes the Affordable Housing Loan Revolving Fund to receive funds from developers to provide low-interest home loans to qualified households.

