
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;
11 (3) In-lieu fees collected by the counties from
12 developers; and
13 (4) Funds received as repayment of loans and interest
14 payments.

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



1 affordable housing loan and revolving fund shall be determined
2 by the corporation and shall be at least two per cent, but no
3 more than six per cent.

4 (c) The counties may deposit in-lieu fees received by
5 developers to the affordable housing loan fund.

6 (d) Moneys in the affordable housing loan revolving fund
7 shall be expended by the corporation to provide home loans to
8 eligible borrowers as determined by the corporation; provided
9 that:

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

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

15 (e) Upon the sale of a home financed under this section,
16 five per cent of the sale price of the home shall be deposited
17 into the affordable housing loan revolving fund.

18 (f) All interest earned on the deposit or investment of
19 the moneys in the fund shall become a part of the fund.

20 (g) The corporation shall submit an annual report to the
21 legislature on all the moneys deposited into and disbursed from
22 the affordable housing loan revolving fund."



1 SECTION 2. New statutory material is underscored.

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



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. (HB2990 HD1)

