

JAN 18 2008

A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING.

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

1 SECTION 1. Section 201H-191, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "[+]§201H-191[+] Dwelling unit revolving fund[-]; county
4 subaccount. (a) There is created a dwelling unit revolving
5 fund. The funds appropriated for the purpose of the dwelling
6 unit revolving fund and all moneys received or collected by the
7 corporation for the purpose of the revolving fund shall be
8 deposited in the revolving fund. The proceeds in the revolving
9 fund shall be used to reimburse the general fund to pay the
10 interest on general obligation bonds issued for the purposes of
11 the revolving fund, for the necessary expenses in administering
12 housing development programs, and for carrying out the purposes
13 of housing development programs, including but not limited to
14 the expansion of community facilities constructed in conjunction
15 with housing projects, permanent primary or secondary financing,
16 and supplementing building costs, federal guarantees required
17 for operational losses, county-initiated affordable housing



1 projects under subsection (b), and all things required by any
2 federal agency in the construction and receipt of federal funds
3 or low-income housing tax credits for housing projects.

4 (b) There is created a county dwelling unit revolving fund
5 as a subaccount of the dwelling unit revolving fund to provide
6 funding to counties as a grant-in-aid for county initiated
7 development of affordable housing, as defined in section 201H-
8 57; provided that an eligible county project shall exceed a
9 county's requirement for affordable housing development. An
10 initial transfer of \$100,000,000, or so much thereof as may be a
11 available, into the separate subaccount shall be made beginning
12 July 1, 2008, and thereafter on July 1 of each fiscal year to
13 bring the separate subaccount balance as far as practicable to a
14 constant \$100,000,000 on each July 1, depending on the
15 availability of funds; provided that no appropriation shall be
16 necessary for the transfers; and provided further that any
17 grant-in-aid shall be made by appropriation of the legislature.

18 A county receiving funding under this subsection shall
19 repay moneys received by the county for purpose of a county
20 affordable housing development to which the grant-in-aid
21 applies, to the State for deposit into the subaccount as
22 reimbursement. The terms of repayment shall be in accordance



1 with repayment terms established for other loans or grants
2 authorized under this chapter.

3 The corporation shall render a quarterly activity report to
4 the state director of finance and the director of finance of the
5 appropriate county of moneys deposited into and disbursed from
6 the county dwelling unit revolving fund.

7 The director of finance of a county receiving a grant-in-
8 aid under this subsection shall provide to the corporation
9 status reports of grant funds disbursed by the county and such
10 other information as the corporation may require, at such times
11 as determined by the corporation.

12 This subsection shall not be construed to subject the State
13 to any liability or responsibility of whatsoever kind and nature
14 for a county-initiated affordable housing development project to
15 which this subsection applies."

16 SECTION 2. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 3. This Act shall take effect on July 1, 2008.

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INTRODUCED BY:

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Report Title:

Affordable Housing

Description:

Creates a subaccount of the dwelling unit revolving fund to fund county initiated affordable housing projects that exceed the requirements for affordable housing developments in a county's code.

