

JAN 23 2009

A BILL FOR AN ACT

RELATING TO RENTAL HOUSING.

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

1 SECTION 1. The legislature finds that providing affordable
2 rental housing to Hawaii's low income residents is a continuing
3 challenge and that current economic conditions make this goal
4 even more difficult to meet.

5 Act 100, Session Laws of Hawaii 2006, as amended by Act
6 222, Session Laws of Hawaii 2007, assisted with this effort by
7 temporarily increasing the percentage of the conveyance tax paid
8 into the rental housing trust fund from thirty to fifty per cent
9 for two years, until June 30, 2008.

10 The purpose of this Act is to increase permanently the
11 percentage of the conveyance tax paid into the rental housing
12 trust fund from the current allocation of thirty per cent, to
13 sixty-five per cent.

14 SECTION 2. Section 201H-202, Hawaii Revised Statutes, is
15 amended by amending subsection (i) to read as follows:

16 "(i) For the period commencing July 1, 2005, [~~through~~
17 ~~June 30, 2009,~~] the fund may be used to provide grants for



1 rental units set aside for persons and families with incomes at
2 or below thirty per cent of the median family income in any
3 project financed in whole or in part by the fund in proportion
4 of those units to the total number of units in the project. [~~At~~
5 ~~the conclusion of the period described in this subsection, the]~~
6 The corporation shall report annually to the legislature on the
7 number and use of grants provided and whether the grants were an
8 effective use of the funds for purposes of developing rental
9 housing for families at or below thirty per cent of the median
10 family income."

11 SECTION 3. Section 247-7, Hawaii Revised Statutes, is
12 amended to read as follows:

13 **"§247-7 Disposition of taxes.** All taxes collected each
14 fiscal year under this chapter shall be paid [~~into the state~~
15 ~~treasury to the credit of the general fund of the State, to be~~
16 ~~used and expended for the purposes for which the general fund~~
17 ~~was created and exists by law; provided that of the taxes~~
18 ~~collected each fiscal year:] as follows:~~

19 (1) Ten per cent shall be paid into the land conservation
20 fund established pursuant to section 173A-5;



1 (2) [~~Thirty~~] Sixty-five per cent shall be paid into the
2 rental housing trust fund established by section
3 201H-202; and

4 (3) Twenty-five per cent shall be paid into the natural
5 area reserve fund established by section 195-9;
6 provided that the funds paid into the natural area
7 reserve fund shall be annually disbursed by the
8 department of land and natural resources in the
9 following priority:

10 (A) To natural area partnership and forest
11 stewardship programs after joint consultation
12 with the forest stewardship committee and the
13 natural area reserves system commission;

14 (B) Projects undertaken in accordance with watershed
15 management plans pursuant to section 171-58 or
16 watershed management plans negotiated with
17 private landowners, and management of the natural
18 area reserves system pursuant to section 195-3;
19 and

20 (C) The youth conservation corps established under
21 chapter 193."



1 SECTION 4. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 5. This Act shall take effect on July 1, 2009.

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Report Title:

Conveyance Tax; Rental Housing Trust Fund

Description:

Increases permanently the percentage of the conveyance tax paid into the rental housing trust fund from the current allocation of thirty per cent to sixty-five per cent.

STATE OF IOWA
DEPARTMENT OF REVENUE
TAXPAYER SERVICE CENTER
DES MOINES, IOWA 50319

