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# A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING CREDITS.

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

1 SECTION 1. Section 46-15.1, Hawaii Revised Statutes, is  
2 amended by amending subsection (b) to read as follows:

3 "(b) Each county shall issue affordable housing credits to  
4 the department of Hawaiian home lands with respect to existing  
5 and future Hawaiian home lands projects upon a request for such  
6 credits by the department of Hawaiian home lands. Credits shall  
7 be issued for each single-family residence, multi-family unit,  
8 other residential unit, or if allowed under the county's  
9 affordable housing programs, vacant lot, developed by the  
10 department of Hawaiian home lands as follows:

11 (1) All units or lots developed by the department shall be  
12 treated as for-sale units or lots;

13 (2) All units or lots developed by the department are  
14 deemed to be sold to purchasers with the highest  
15 income level that would qualify a unit or lot for  
16 credit under the county's affordable housing programs,  
17 unless the department provides verification of a  
18 purchaser's actual income;



1       (3) If the department does not provide verification of a  
 2       purchaser's actual income, the county shall issue at  
 3       least the number of credits corresponding to units  
 4       sold to purchasers with the highest qualifying income  
 5       level. If the department provides verification of a  
 6       purchaser's actual income, the county shall issue to  
 7       the department the number of credits corresponding to  
 8       units or lots sold to purchasers with the same income  
 9       level under the county's affordable housing programs;  
 10       and

11       (4) The chair of the Hawaiian homes commission may certify  
 12       the income level of a purchaser through written  
 13       affidavit without reference to the identity or other  
 14       personal information of the individual purchaser,  
 15       which shall constitute verification of income for  
 16       purposes of this section.

17       The credits shall be freely transferable [~~and shall be issued on~~  
 18       ~~a one unit for one unit basis~~]. The credits may be applied  
 19       county-wide within the same county in which the credits were  
 20       earned to satisfy affordable housing obligations imposed by the  
 21       county on market priced residential and non-residential  
 22       developments. County-wide or project-specific requirements for



1 the location of affordable housing units; housing class, use, or  
2 type; construction time; or other county requirements for  
3 affordable housing units shall not impair, restrict, or  
4 condition the county's obligation to apply the credits in full  
5 satisfaction of all county requirements.

6 Credits originally issued to the department of Hawaiian  
7 home lands under this section shall not be subject to any county  
8 restrictions regarding the application of credits toward  
9 affordable housing obligations, whether by rule, ordinance, or  
10 particular zoning conditions of a project, including  
11 restrictions on the location in which the credits may be used,  
12 the types of required affordable units that may be offset with  
13 the credits, the income groups that were intended to be served  
14 by the required housing units, or the timing of the affordable  
15 housing requirements.

16 For purposes of this section, "affordable housing  
17 obligation" means the requirement imposed by a county to develop  
18 vacant lots, single-family residences, multi-family residences,  
19 or any other type of residence for sale or rent to individuals  
20 within a specified income range."

21 SECTION 2. Statutory material to be repealed is bracketed  
22 and stricken. New statutory material is underscored.



1 SECTION 3. This Act shall take effect on July 1, 2050.



**Report Title:**

Affordable Housing Credits; Department of Hawaiian Home Lands;  
Counties

**Description:**

Amends section 46-15.1(b), HRS, to clarify that affordable housing credits shall be issued for each single-family residence, multi-family unit, other residential unit, or if allowed under the county's affordable housing programs, vacant lot, developed by the department of Hawaiian home lands under specified conditions and requirements and shall be freely transferrable. Prohibits county limitations relating to application of the credits. Effective 7/1/2050. (SD2)

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