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## A BILL FOR AN ACT

RELATING TO LOW-INCOME HOUSING.

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

1           SECTION 1. The legislature finds that the need for low-  
2 income housing in the State has reached its peak and that the  
3 construction industry, which is one of the primary driving  
4 forces in the State's economy, is in dire need of alternative  
5 financing mechanisms that would enable them to sustain and  
6 complete low-income housing projects. The idea of taxpayers in  
7 the construction industry foregoing certain state tax credits in  
8 exchange for an interest-free loan would provide an optimal  
9 solution for the affordable housing crisis in the State and  
10 would also help get the State's economy back on its feet by  
11 providing local employment opportunities to those in the  
12 construction industry.

13           In response to a recommendation by the construction  
14 industry task force in 2009, the legislature enacted the  
15 language codified as section 201H-86, Hawaii Revised Statutes,  
16 which provides a low-income housing tax credit loan program to  
17 allow owners of qualified low-income buildings to receive a no



1 interest loan from the State in lieu of claiming the low-income  
2 housing tax credit.

3 The purpose of this Act is to provide funding for the low-  
4 income housing tax credit loan program through general  
5 obligation bonds.

6 SECTION 2. The director of finance is authorized to issue  
7 general obligation bonds in the sum of \$ or so much  
8 thereof as may be necessary and the same sum or so much thereof  
9 as may be necessary is appropriated for fiscal year 2014-2015  
10 for the purpose of funding low-income housing tax credit loans  
11 made pursuant to section 201H-86, Hawaii Revised Statutes.

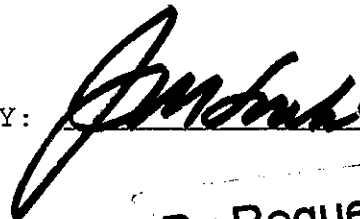
12 SECTION 3. The appropriation made for the project  
13 authorized by this Act shall not lapse at the end of the fiscal  
14 biennium for which the appropriation is made; provided that all  
15 moneys from the appropriation unencumbered as of June 30, 2016,  
16 shall lapse as of that date.

17 SECTION 4. The sum appropriated shall be expended by the  
18 Hawaii housing finance and development corporation for the  
19 purposes of this Act.

20 SECTION 5. This Act shall take effect on July 1, 2014.

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INTRODUCED BY:



By Request  
JAN 10 2014

# H.B. NO. 1595

**Report Title:**

Low-Income Housing Tax Credit Loan; GO Bonds; Construction Industry Task Force

**Description:**

Authorizes the issuance and appropriate of general obligation bonds to fund low-income housing tax credit loans.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

