
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 to enable it to undertake and complete low-
6 income housing projects. Authorizing interest-free loans for
7 the construction industry in exchange for a waiver of certain
8 state tax credits provides an optimal solution to the affordable
9 housing crisis in the State and also helps the State's economy
10 by providing local employment opportunities to those in the
11 construction industry.

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



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

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

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

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

19 SECTION 5. This Act shall take effect on July 1, 2525.



Report Title:

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

Description:

Authorizes the issuance of taxable general obligation bonds and appropriates bond proceeds to fund low-income housing tax credit loans. Effective July 1, 2525. (HB1595 HD1)

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