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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. The purpose of Act 141, Session Laws of Hawaii  
2 2009, was to require counties to issue affordable housing  
3 credits to the department of Hawaiian home lands for all  
4 existing and future Hawaiian home lands projects upon request.  
5 Act 141 was then amended by Act 98, Session Laws of Hawaii 2012,  
6 which further defines what the credits shall be issued for and  
7 explicitly releases the department of Hawaiian home lands from  
8 any income or other requirements attached to a respective  
9 county's affordable housing credits. The legislature finds that  
10 the relationship between the department of Hawaiian home lands  
11 and the respective counties established by Act 98 violates the  
12 principles of home-rule and does not encourage the kind of  
13 working relationship between the counties and the department of  
14 Hawaiian home lands necessary to effectively address the  
15 affordable housing problem in each county. The legislature also  
16 finds that Act 98 could create a racially discriminatory effect  
17 by disproportionately allocating more affordable housing  
18 resources to one racial group over another. In order to address



1 each county's affordable housing needs based on fairness and  
2 equality, this Act allows each county to address its affordable  
3 housing needs, allows the department of Hawaiian home lands to  
4 receive county affordable housing credits for mutually  
5 beneficial projects on department of Hawaiian home lands, and  
6 also supports a good working relationship between the department  
7 of Hawaiian home lands and the respective counties.

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

10 "(b) ~~[Each county shall issue]~~ By mutual consent, each  
11 respective county and the department of Hawaiian home lands  
12 shall agree to the issuance of affordable housing credits to the  
13 department of Hawaiian home lands with respect to ~~[existing and]~~  
14 future Hawaiian home lands projects upon a request for such  
15 credits by the department of Hawaiian home lands. The credits  
16 shall be transferable and shall be issued on a one-unit for one-  
17 unit basis. Credits shall be issued for each single-family  
18 residence, multi-family unit, or other residential unit~~[, or if~~  
19 ~~allowed under the county's affordable housing programs, vacant~~  
20 ~~lot,~~] developed by the department of Hawaiian home lands. The  
21 credits may be applied county-wide within the same county in  
22 which the credits were earned to satisfy affordable housing



1 obligations imposed by the county on market priced residential  
2 and non-residential developments. [~~County-wide or project-~~  
3 ~~specific requirements for the location of affordable housing~~  
4 ~~units; housing class, use, or type; construction time; or other~~  
5 ~~county requirements for affordable housing units shall not~~  
6 ~~impair, restrict, or condition the county's obligation to apply~~  
7 ~~the credits in full satisfaction of all county requirements~~  
8 ~~whether by rule, ordinance, or particular zoning conditions of a~~  
9 ~~project.]~~

10 For purposes of this section, "affordable housing  
11 obligation" means the requirement imposed by a county to develop  
12 [~~vacant lots,~~] single-family residences, multi-family  
13 residences, or any other type of residence for sale or rent to  
14 individuals within a specified income range."

15 SECTION 3. Statutory material to be repealed is bracketed  
16 and stricken. New statutory material is underscored.

17 SECTION 4. This Act shall take effect upon its approval,  
18 and shall be repealed on June 30, 2015; provided that section  
19 46-15.1(b), Hawaii Revised Statutes, shall be reenacted in the



# H.B. NO. 227

1 form in which it read prior to the effective date of Act 141,  
2 Session Laws of Hawaii 2009.

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INTRODUCED BY:



By Request

JAN 17 2013



# H.B. NO. 227

**Report Title:**

Affordable Housing; DHHL; Counties; Kauai County Package

**Description:**

Removes the county's power to issue affordable housing credits to DHHL for the development of vacant lots. Removes restriction that county requirements for affordable housing may not impair the county's obligation to apply the credits in full satisfaction of all county requirements.

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

