

STAND. COM. REP. NO.

1128

Honolulu, Hawaii

March 22, 2013

RE: S.B. No. 1025

H.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which
was referred S.B. No. 1025, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HOUSING LOAN AND MORTGAGE
PROGRAM,"

begs leave to report as follows:

The purpose of this measure is to expand the services and
reach of the Hula Mae Single Family Mortgage Loan Program.

More specifically, the measure:

- (1) Allows more households to qualify for the loan program
by repealing superfluous statutory eligibility criteria;
and
- (2) Authorizes the loan program to offer downpayment
assistance.

In addition, this measure makes housekeeping amendments to
the Hawaii Housing Finance and Development Corporation's Housing
Loan and Mortgage Program, including the repeal of obsolete
statutory provisions relating to the inactive Loans to Lenders and
Purchase of Existing Loans programs.



The Department of Business, Economic Development, and Tourism, Hawaii Housing Finance and Development Corporation, and Hawaii Association of Realtors testified in support of this measure.

Your Committee finds that homeownership remains an elusive goal for many residents in Hawaii's expensive housing market. This measure will increase access to homeownership by broadening the applicability and services of the Hula Mae Single Family Mortgage Loan Program, which provides eligible low- and moderate-income first-time homebuyers with mortgage loans at below-market interest rates.

Your Committee has amended this measure by changing the effective date to July 1, 2013.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1025, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 1025, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ANGUS L.K. MCKELVEY, Chair



