

STAND. COM. REP. NO.

821

Honolulu, Hawaii

MAR 03 2017

RE: S.B. No. 912
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 912, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE DOWNPAYMENT LOAN ASSISTANCE PROGRAM,"

begs leave to report as follows:

The purpose and intent of this measure is to modernize the Hawaii Housing Finance and Development Corporation's downpayment loan program and to establish a downpayment loan loss reserve program to assist low and moderate income households to become first-time homebuyers.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism, Hawaii Housing Finance and Development Corporation, and Hawaii Association of REALTORS.

Your Committee finds that homeownership creates strong communities through economic growth. Your Committee also finds that one of the major barriers to homeownership is the potential buyer's lack of a downpayment. The Hawaii Housing Finance and Development Corporation's downpayment loan program was established in 1995 to assist eligible first-time homebuyers with downpayment loans. However, your Committee further finds that this program has not realized its full potential due to funding and outdated programmatic constraints. Your Committee believes this measure



will increase access to homeownership by authorizing downpayment loans to first-time homebuyers.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 912, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 912, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



JILL N. TOKUDA, Chair



