

---

---

# A BILL FOR AN ACT

RELATING TO HOUSING ON HAWAIIAN HOME LANDS.

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

1           SECTION 1.   Section 214, Hawaiian Homes Commission Act,  
2   1920, as amended, is amended by amending subsection (a) to read  
3   as follows:

4           "(a)   The department may make loans from revolving funds to  
5   any lessee or native Hawaiian to whom, or any cooperative  
6   association to which, a lease has been issued under section  
7   207(a) of this Act or a license has been issued under section  
8   207(c)(1)(B) of this Act.   Such loans may be made for the  
9   following purposes:

10           (1)   The repair or maintenance or purchase or erection of  
11                dwellings on any tract, and the undertaking of other  
12                permanent improvements thereon;

13           (2)   The purchase of livestock, swine, poultry, fowl,  
14                aquaculture stock, and farm and aquaculture equipment;

15           (3)   Otherwise assisting in the development of tracts and  
16                of farm, ranch, and aquaculture operations, including:



- 1 (A) The initial and on-going development,  
2 improvement, operation, and expansion of  
3 homestead farms, ranches, and aquaculture  
4 enterprises;
- 5 (B) The liquidation of indebtedness incurred for any  
6 of the foregoing purposes relating to farm loans  
7 aged less than five years;
- 8 (C) The payment of normal and reasonable living  
9 expenses of a full-time farmer;
- 10 (D) The planning, layout, and installation of soil  
11 and water conservation practices; and
- 12 (E) Providing relief and rehabilitation to homestead  
13 farmers and ranchers due to damage by rain and  
14 windstorms, droughts, tidal wave, earthquake,  
15 volcanic eruption, and other natural  
16 catastrophes, and for livestock disease,  
17 epidemics, crop blights, and serious effects of  
18 prolonged shipping and dock strikes;
- 19 (4) The cost of breaking up, planting, and cultivating  
20 land and harvesting crops, the cost of excavating or  
21 constructing aquaculture ponds and tanks, the purchase



1 of seeds, fertilizers, feeds, insecticides, medicines,  
2 and chemicals for disease and pest control for  
3 animals, fish, shellfish, and crops, and the related  
4 supplies required for farm, ranch, and aquaculture  
5 operations, the erection of fences and other permanent  
6 improvements for farm, ranch, and aquaculture purposes  
7 and the expense of marketing; [~~and~~]

8 (5) To assist licensees in the operation or erection of  
9 theaters, garages, service stations, markets, stores,  
10 and other mercantile establishments, all of which  
11 shall be owned by native Hawaiians or by organizations  
12 formed and controlled by native Hawaiians[~~-~~]; and

13 (6) To provide loans to qualifying lessees for the  
14 purchase or lease of micro housing units for use on  
15 Hawaiian home lands; provided that:

16 (A) Each loan shall not exceed \$125,000; and

17 (B) The department of Hawaiian home lands shall  
18 determine the criteria to be met by lessees in  
19 order to qualify for loans pursuant to this  
20 paragraph.



1                   For purposes of this paragraph, "micro housing  
2                   unit" means a dwelling unit with a total floor area of  
3                   less than eight hundred square feet and that includes  
4                   a bed, kitchen, kitchen sink, cooking and  
5                   refrigeration appliances, and a partitioned-off  
6                   bathroom containing a toilet and a bathtub or shower.  
7                   "Micro housing unit" includes an accessory dwelling  
8                   unit."

9                   SECTION 2. There is appropriated out of the vacancy  
10 savings of the department of Hawaiian home lands the sum of  
11 \$                   or so much thereof as may be necessary for fiscal  
12 year 2019-2020 and the same sum or so much thereof as may be  
13 necessary for fiscal year 2020-2021 for the construction of  
14 micro housing units as defined in section 107- , Hawaii Revised  
15 Statutes, to be matched on a dollar-for-dollar basis by funds  
16 awarded through the Native Community Development Financial  
17 Institutions Program; provided that:

- 18                   (1) The cost of construction of each micro housing unit  
19                   shall not exceed \$125,000;
- 20                   (2) A micro housing unit may be constructed on an existing  
21                   homestead lot upon which a home already exists;

1 provided that the micro housing unit shall be occupied  
2 by another individual or family related to the  
3 existing lessee; and

4 (3) Native community development financial institutions  
5 participating pursuant to this section shall determine  
6 the criteria for lessees to qualify for applicable  
7 loans.

8 The sums appropriated shall be expended by the department  
9 of Hawaiian home lands for the purposes of this Act.

10 SECTION 3. There is appropriated out of the vacancy  
11 savings of the department of Hawaiian home lands the sum of  
12 \$ or so much thereof as may be necessary for fiscal  
13 year 2019-2020 and the same sum or so much thereof as may be  
14 necessary for fiscal year 2020-2021 to build the general  
15 organizational capacity of native Hawaiian-controlled nonprofit  
16 housing developers; provided that each nonprofit housing  
17 developer is able to demonstrate a commitment to developing  
18 housing units on Hawaiian home lands.

19 The sums appropriated shall be expended by the department  
20 of Hawaiian home lands for the purposes of this Act.



1           SECTION 4. The provisions of the amendments made by this  
2 Act to the Hawaiian Homes Commission Act, 1920, as amended, are  
3 declared to be severable, and if any section, sentence, clause,  
4 or phrase, or the application thereof to any person or  
5 circumstances is held ineffective because there is a requirement  
6 of having the consent of the United States to take effect, then  
7 that portion only shall take effect upon the granting of consent  
8 by the United States and effectiveness of the remainder of these  
9 amendments or the application thereof shall not be affected.

10           SECTION 5. Statutory material to be repealed is bracketed  
11 and stricken. New statutory material is underscored.

12           SECTION 6. This Act shall take effect on July 1, 2019;  
13 provided that section 1 shall take effect with the consent of  
14 the United States Congress.



**Report Title:**

DHHL; HHFDC; Micro Housing; Tiny Homes; Appropriation

**Description:**

Authorizes the use of the Hawaiian Home Loan Fund and Hawaiian Home General Loan Fund to assist qualifying lessees purchasing or leasing micro housing units on approved Hawaiian home lands. Makes appropriations from the Department of Hawaiian Home Lands' vacancy savings to the Department of Hawaiian Home Lands for construction of micro housing units, subject to certain conditions, and to build general organizational capacity of native Hawaiian-controlled nonprofit housing developers. (SD1)

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

