
A BILL FOR AN ACT

RELATING TO HOUSING.

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

1 SECTION 1. Section 104-2, Hawaii Revised Statutes, is
2 amended by amending subsection (i) to read as follows:

3 "(i) The terms of section 201H-36(a)(5) prevailing wages
4 shall be deemed the prevailing wages serving as the basis of
5 compliance with this chapter for work on the project when:

6 (1) The Hawaii housing finance and development corporation
7 has approved and certified a qualified person or firm
8 involved with a newly constructed, or moderately or
9 substantially rehabilitated project under
10 section 201H-36(a)(5) for exemption from general
11 excise taxes;

12 (2) The qualified person or firm has entered into a
13 contract with a general contractor or subcontractors
14 whose workforce is subject to either:

15 (A) A collective bargaining agreement with a bona
16 fide labor union for which a
17 section 201H-36(a)(5) prevailing wage for the



1 laborers and mechanics employed for the
2 construction project has been approved by the
3 director; or

4 (B) A project labor agreement with the group whose
5 wages are reflected in the Hawaii prevailing wage
6 schedule for which section 201H-36(a) (5)
7 prevailing wages for the laborers and mechanics
8 employed for the construction project have been
9 approved by the director; and

10 (3) The qualified person or firm has received no other
11 direct or indirect financing for the construction
12 project from ~~[any other governmental contracting~~
13 ~~agency, including]~~ the Hawaii housing finance and
14 development corporation.

15 A project for which section 201H-36(a) (5) prevailing wages have
16 been deemed the prevailing wages may receive a waiver of real
17 property taxes, permitting fees, water and sewer development
18 fees, and other development fees from a county."

19 SECTION 2. Section 201H-36, Hawaii Revised Statutes, is
20 amended by amending subsection (a) to read as follows:



1 "(a) In accordance with section 237-29, the corporation
2 may approve and certify for exemption from general excise taxes
3 any qualified person or firm involved with a newly constructed,
4 or a moderately or substantially rehabilitated, project that is:

5 (1) Developed under this part;

6 (2) Developed under a government assistance program
7 approved by the corporation, including but not limited
8 to the United States Department of Agriculture's
9 section 502 direct loan program and Federal Housing
10 Administration's section 235 program;

11 (3) Developed under the sponsorship of a private nonprofit
12 organization providing home rehabilitation or new
13 homes for qualified families in need of decent,
14 low-cost housing;

15 (4) Developed by a qualified person or firm to provide
16 affordable rental housing where at least fifty per
17 cent of the available units are for households with
18 incomes at or below eighty per cent of the area median
19 family income as determined by the United States
20 Department of Housing and Urban Development, of which
21 at least twenty per cent of the available units are



1 for households with incomes at or below sixty per cent
2 of the area median family income as determined by the
3 United States Department of Housing and Urban
4 Development; or

5 (5) Approved or certified from July 1, 2018, to June 30,
6 2030, and developed under a contract described in
7 section 104-2(i)(2) by a qualified person or firm to
8 provide affordable rental housing through new
9 construction or substantial rehabilitation; provided
10 that:

11 (A) The allowable general excise tax and use tax
12 costs [~~shall apply to contracting only and~~] shall
13 not exceed \$30,000,000 per year in the aggregate
14 for all projects approved and certified by the
15 corporation; and

16 (B) All available units are for households with
17 incomes at or below one hundred forty per cent of
18 the area median family income as determined by
19 the United States Department of Housing and Urban
20 Development, of which at least twenty per cent of
21 the available units are for households with



1 incomes at or below eighty per cent of the area
2 median family income as determined by the United
3 States Department of Housing and Urban
4 Development; provided that an owner shall not
5 refuse to lease a unit solely because the
6 applicant holds a voucher or certificate of
7 eligibility under section 8 of the United States
8 Housing Act of 1937, as amended."

9 SECTION 3. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 4. This Act shall take effect on July 1, 2050.



Report Title:

Rental Housing Projects; Affordable Housing; General Excise Tax Exemption; Prevailing Wages; HHFDC

Description:

Clarifies that the eligibility for the general excise tax exemption includes the nonreceipt of financing from the Hawaii Finance and Development Corporation. Allows certain affordable rental housing projects to receive a waiver of various development fees from a county. Removes the limit on the type of costs eligible for exemption from the general excise tax for development of affordable rental housing certified by the Hawaii Housing Finance and Development Corporation. Effective 7/1/2050. (HD1)

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

