
A BILL FOR AN ACT

RELATING TO §201H-181 RENT-TO-OWN PROGRAM.

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

1 SECTION 1. The legislature finds that home ownership is
2 one of the pillars of wealth generation. Renting a home removes
3 wealth from a family, while owning a home builds equity over
4 time. The state has seen the wisdom of helping residents use
5 their rental funds towards homeownership in the establishing of
6 the Rent-to-Own Program in HRS 201H-181. The Hawaii housing
7 finance and development corporation has been slow in
8 implementing this program on any meaningful level.

9 This Act will require the Hawaii housing finance and
10 development corporation to implement its Rent-to-Own Program.

11 SECTION 2. Section 201h-181, Hawaii Revised Statutes, is
12 amended to read as follows:

13 "H. Rent-to-Own Program

14 [§201H-181] **Rent-to-own program.** (a) The corporation
15 [may] shall establish a rent-to-own program under which dwelling
16 units that are for sale may be rented to program participants.
17 Under this program, the corporation shall credit [~~a portion of~~]



1 the rent received, minus any maintenance fees, toward the
2 purchase of the unit.

3 (b) The sales price shall be established at the beginning
4 of the rental term and shall remain fixed for the first [~~five~~]
5 ten years after the rental agreement is executed. During this
6 period, the participant shall have the option of purchasing the
7 unit at the designated sales price. If the participant does not
8 elect to purchase the unit within the [~~five~~] ten-year period,
9 the renter shall forfeit the right to continue living in the
10 unit and the unit shall be made available to another purchaser
11 or renter.

12 (c) The corporation shall have the right to reestablish
13 the sales price upon expiration of the option period or upon
14 resale of the unit."

15 SECTION 3. There is appropriated out of the general
16 revenues of the State of Hawaii the sum of \$ _____ or so much
17 thereof as may be necessary for fiscal year 2023-2024 for
18 staffing and resources to implement and publicize the Rent-to-
19 Own Program.



1 The sum appropriated shall be expended by the Hawaii
2 housing finance and development corporation for the purposes of
3 this Act.

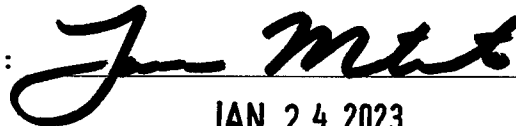
4 SECTION 4. The Hawaii housing finance and development
5 corporation shall submit a report of its progress and
6 recommendations, including any needed funding or staffing, to
7 the legislature no later than twenty days prior to the convening
8 of the regular session of 2024, and each subsequent year.

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

11 SECTION 6. This Act shall take effect upon its approval.

12

INTRODUCED BY:



JAN 24 2023



H.B. NO. 1142

Report Title:

Rent-to-Own Housing Program, HHFDC, homeownership, appropriation

Description:

Requires the HHFDC to implement its Rent-to-Own Housing Program, increases the time that the owner/renter can build equity from five years to ten years. Appropriates funds for staffing and implementing the program.

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

HB HMIA 2023-38-08

