
A BILL FOR AN ACT

RELATING TO THE RENTAL HOUSING REVOLVING FUND.

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

1 SECTION 1. Section 201H-86, Hawaii Revised Statutes, is
2 amended by amending subsection (f) to read as follows:

3 "(f) [~~ff~~] For loans made prior to July 1, 2024, if the
4 owner is not in default, the corporation may forgive the amount
5 remaining under [~~the~~] a no-interest loan to the owner of [~~the~~] a
6 qualified low-income building under this section after thirty
7 years."

8 SECTION 2. Section 201H-202, Hawaii Revised Statutes, is
9 amended by amending subsection (d) to read as follows:

10 "(d) The fund shall be used to provide loans or grants for
11 the development, pre-development, construction, acquisition,
12 preservation, and substantial rehabilitation of rental housing
13 units. The corporation shall not forgive any loan made from the
14 fund. Permitted uses of the fund may include but are not
15 limited to planning, design, land acquisition, costs of options,
16 agreements of sale, downpayments, equity financing, capacity
17 building of nonprofit housing developers, or other housing



1 development services or activities as provided in rules adopted
2 by the corporation pursuant to chapter 91. The rules may
3 provide for a means of recapturing loans or grants made from the
4 fund if a rental housing project financed under the fund is
5 refinanced or sold at a later date. The rules may also provide
6 that moneys from the fund shall be leveraged with other
7 financial resources to the extent possible."

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 Statutory material to be repealed is bracketed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

10 SECTION 4. This Act shall take effect upon its approval.



Report Title:

HHFDC; Rental Housing Revolving Fund; Loan Forgiveness;
Prohibition

Description:

Prohibits the Hawaii Housing Finance and Development Corporation from forgiving certain loans made from the Rental Housing Revolving Fund. (SD1)

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