

ACT 106

S.B. NO. 1323

A Bill for an Act Relating to Housing.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Chapter 359G, Hawaii Revised Statutes, is amended in the following ways:

1. By amending section 359G-3 to read as follows:

“**Sec. 359G-3 Housing authority—staff.** The Hawaii housing authority shall administer this chapter. The authority may employ, subject to chapters 76, 77, and 78, a staff consisting of a qualified financial aide and a develop-

ment aide. Other individuals may be hired on a contractual basis not subject to chapters 76, 77, and 78, when, in the judgment of the authority, the services to be performed are unique and essential to the execution of the functions and purposes of this chapter. No contract shall be for a period longer than two years, and no individual hired under contract shall be employed beyond a maximum of six years."

2. By amending section 359G-10 to read as follows:

"**Sec. 359G-10 Revolving fund.** There is created a dwelling unit revolving fund. The funds appropriated for the purpose of this chapter and all moneys received or collected by the authority under the provisions of this chapter shall be deposited in the revolving fund. The proceeds in the fund shall first be used to reimburse the general fund to pay the principal and interest on general obligation bonds issued for the purposes of this chapter, then for the necessary expenses in administering the chapter, and finally for carrying out the purposes of this chapter, including, but not limited to, the expansion of community facilities constructed in conjunction with housing projects for elderly persons, and supplementing building costs, federal guarantees required for operational losses, and all things required by any federal agency in the construction and receipt of federal funds for housing projects for the elderly."

3. By amending subsection (a) of section 359G-12 to read as follows:

"(a) At the request of the authority the director of finance may guarantee the top twenty-five per cent of the principal balance of real property mortgage loans of qualified single-family or multi-family housing, or up to a maximum of one hundred per cent of the principal balance of real property mortgage loans of qualified single-family housing under section 213 of the Hawaiian Homes Commission Act, plus the interest due thereon, made to qualified borrowers by qualified private lenders; provided that at no time shall the State's liability, contingent or otherwise, on such guarantees exceed \$10,000,000."

SECTION 2. Notwithstanding the interest rate limitation contained in section 356-29, Hawaii Revised Statutes, during the twelve months following the effective date of this Act, bonds issued by the Hawaii housing authority under chapter 356 may bear interest, payable annually or semiannually, at a rate not exceeding eight per cent a year.

SECTION 3. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material, or the underscoring.\*

SECTION 4. This Act shall take effect upon its approval; except the provisions of this Act amending subsection (a) of section 359G-12, Hawaii Revised Statutes, shall take effect on July 1, 1975.

(Approved May 17, 1975.)

\*Edited accordingly.