

A Bill for an Act Relating to the Housing Finance and Development Corporation.

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

SECTION 1. Section 201E-32, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) The corporation may:

- (1) Borrow money or accept grants from the federal government for any housing project which the [authority] corporation is authorized to undertake;
- (2) Take over any land acquired by the federal government for the construction of a housing project;
- (3) Procure insurance or guarantees from the federal government of the payment of any debts or parts thereof secured by mortgages made or held by the corporation on any property included in any housing project; and
- (4) Comply with any conditions required by the federal government in any contract for financial assistance.”

SECTION 2. Subparts II.C. and III.D. of Chapter 201E, Hawaii Revised Statutes, are amended by substituting the word “corporation” wherever the words “Hawaii housing authority” and “authority” appear, unless the term “authority” refers to other than the Hawaii housing authority.

SECTION 3. Section 237-29, Hawaii Revised Statutes, is amended to read as follows:

**“§237-29 Exemptions for certified low and moderate income housing.**

(a) All gross income received by any qualified person or firm for the planning, design, financing, construction, sale, or lease in the State of a housing project which has been certified under section [359G-15] 201E-205 shall be exempt from general excise taxes.

(b) All gross income received by a nonprofit or a limited distribution mortgagor for a low and moderate income housing project certified under section [359G-15] 201E-205 shall be exempt from general excise taxes.

[(c) All claims for exemption under this section shall be certified first by the Hawaii housing authority<sup>1</sup> and forwarded to the director of taxation, except that any project previously granted an exemption need not reapply for an exemption until there is a change in use or ownership of the project.

(d) (c) The director of taxation and the [Hawaii housing authority] housing finance and development corporation shall adopt rules pursuant to chapter 91 for the purpose of this section, including any time limitation for such exemptions.”

SECTION 4. Section 514A-14.5, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

“(c) This section does not apply:

- (1) To apartments developed under chapters 356, 359, and [359G] 201E; and
- (2) To apartments in a mixed-use project developed under chapter 206E that has a shared parking program approved by the Hawaii community development authority; provided that such a program shall require the

availability of the use of not less than one parking space per apartment.”

SECTION 5. Statutory material to be repealed is bracketed. New statutory material is underscored.

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

(Approved June 1, 1988.)

**Note**

1. So in original.