

ACT 70

S.B. NO. 1808

A Bill for an Act Relating to Rental Housing Projects.

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

SECTION 1. Section 201E-134, Hawaii Revised Statutes, is amended by amending subsection (f) to read as follows:

“(f) When an eligible project is not owned by the corporation, the corporation shall be entitled to share in [any] the appreciation in value of units maintained for eligible tenants within an eligible project realized at the time of refinancing or prepayment of the eligible project loan. The corporation’s share shall be calculated by multiplying the appreciation [of the eligible project] in value of units maintained for eligible tenants realized upon refinancing or prepayment by the ratio of the owner’s equity to the discounted value of the aggregate rental assistance payments. The discount rate shall be established by rules adopted by the corporation.”

SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved May 4, 1989.)