

ACT 278

H.B. NO. 300

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. Chapter 201E, Hawaii Revised Statutes, is amended by adding a new section to part II to be appropriately designated and to read as follows:

“§201E- Issuance of bonds for the preservation of low- income housing projects. The corporation, pursuant to and in accordance with Part II, subpart A, may issue bonds to purchase low-income housing projects financed by the United States Department of Housing and Urban Development in order to preserve these projects. Upon the payment of all interest and principal stemming from the issuance of these bonds, the corporation may transfer title to these projects to qualified nonprofit organizations or to the Hawaii housing authority or the authority’s successor. Nothing in this section shall be construed to:

- (1) Prohibit qualified nonprofit organizations or the Hawaii housing authority from operating these projects on behalf of the corporation, or providing for the repair and maintenance of these projects, before the payment of all interest and principal stemming from the issuance of these bonds; or
- (2) Prohibit the corporation from transferring title to these projects to qualified nonprofit organizations or the Hawaii housing authority if these bonds can be secured to the satisfaction of the bondholders. The corporation shall give qualified nonprofit organizations priority over the Hawaii housing authority when transferring title to these projects.

As used in this section, “qualified nonprofit organization” includes community-based nonprofit organizations and resident councils.”

SECTION 2. New statutory material is underscored.¹

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

(Approved June 21, 1993.)

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Note

1. Edited pursuant to HRS §23G-16.5.