
A BILL FOR AN ACT

RELATING TO HOMEOWNERSHIP.

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

1 SECTION 1. Chapter 257, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§257- **First homeownership; American dream down payment;**

5 **forgivable loans.** (a) A qualified expenditure for first
6 homeownership may be made in conjunction with and supplemental
7 to the federal Housing and Urban Development's HOME Investment
8 Partnership Program, as administered by a county, to provide
9 assistance towards the purchase of single family housing by
10 low-income families who are first-time homebuyers. Persons who
11 are awarded grant assistance under the HOME Investment
12 Partnership Program may be eligible for a qualified expenditure
13 for first homeownership.

14 (b) In lieu of subsection (a), a matching amount under
15 section 257-8 may be made in the form of a forgivable loan at
16 the rate of twenty per cent of the loan value per year, up to a
17 maximum amount of \$50,000."



1 SECTION 2. Section 257-3, Hawaii Revised Statutes, is
2 amended by amending subsections (c) and (d) to read as follows:

3 "(c) If the State approves an application to fund an
4 individual development account project under this section, the
5 State [~~shall~~], not later than one month after June 28, 1999,
6 shall authorize the applicant to conduct the project with state
7 funds [~~for five project years~~] in accordance with the approved
8 application and this section; provided that an applicant may
9 apply for funding during future fiscal years [~~for five project~~
10 ~~years~~] if the State lacks the resources to fund an individual
11 development account project pursuant to this subsection.

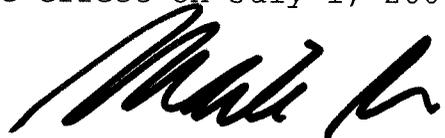
12 (d) For each individual development account program
13 approved under this section, the State shall make a grant to the
14 qualified entity or collaboration of entities authorized to
15 conduct the project on the first day of the project year in an
16 amount not to exceed \$100,000 per year [~~for five years~~]."

17 SECTION 3. Statutory material to be repealed is bracketed
18 and stricken. New statutory material is underscored.

19 SECTION 4. This Act shall take effect on July 1, 2007.

20

INTRODUCED BY:



Debra A. Belatti



Report Title:

Homeownership

Description:

Provides financial assistance to qualified first time home buyers under the individual development accounts program. Repeals 5 year limitation on direct state funding to fiduciary organizations.

