
A BILL FOR AN ACT

RELATING TO HOUSING.

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

SECTION 1. Chapter 201H, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§201H- Homeownership revolving fund; established. (a)

There is established in the state treasury the homeownership revolving fund to assist certain families or individuals seeking homeownership. The revolving fund shall be administered by the corporation in partnership with community organizations.

(b) The revolving fund shall be used to pay the debt service for a dwelling or dwelling unit purchased by an eligible family or individual for the first sixty months at zero per cent interest; provided that:

(1) Payments will be made through monthly mortgage payments beginning with the first scheduled loan payment;

(2) The family's or individual's income does not exceed eighty per cent of the area median income as



1 determined by the United States Department of Housing
2 and Urban Development;

3 (3) Upon the sixty-first month, the family or individual
4 pays interest to the revolving fund on a graduated
5 scale; and

6 (4) The community organization assisting these families or
7 individuals shall guarantee the loan to the family or
8 individual.

9 The corporation shall adopt rules to specify the graduated
10 scale and additional eligibility or qualification requirements.

11 (c) Moneys appropriated for the purposes of this section
12 shall be deposited into the homeownership revolving fund.

13 (d) The corporation shall adopt rules in accordance with
14 chapter 91 to effectuate the purposes of this section."

15 SECTION 2. New statutory material is underscored.

16 SECTION 3. This Act shall take effect on July 1, 2050.



Report Title:

Homeownership Revolving Fund; Debt Service

Description:

Establishes the homeownership revolving fund to assist households whose income does not exceed eighty per cent of the area median income by allowing the households to pay no debt service at zero per cent interest for the first sixty months and then pay interest on a graduated scale. Effective 7/1/2050.
(SD1)

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