

JAN 21 2022

A BILL FOR AN ACT

RELATING TO FEES.

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

1 SECTION 1. Section 46-15.1, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:
3 "(a) Notwithstanding any law to the contrary, any county
4 shall have and may exercise the same powers, subject to
5 applicable limitations, as those granted the Hawaii housing
6 finance and development corporation pursuant to chapter 201H
7 insofar as those powers may be reasonably construed to be
8 exercisable by a county for the purpose of developing,
9 constructing, and providing low- and moderate-income housing;
10 provided that no county shall be empowered to cause the State to
11 issue general obligation bonds to finance a project pursuant to
12 this section; provided further that county projects shall be
13 granted an exemption from general excise or receipts taxes in
14 the same manner as projects of the Hawaii housing finance and
15 development corporation pursuant to section 201H-36; and
16 provided further that section 201H-16 shall not apply to this
17 section unless federal guidelines specifically provide local



1 governments with that authorization and the authorization does
2 not conflict with any state laws. The powers shall include the
3 power, subject to applicable limitations, to:

4 (1) Develop and construct dwelling units, alone or in
5 partnership with developers;

6 (2) Acquire necessary land by lease, purchase, exchange,
7 or eminent domain;

8 (3) Provide assistance and aid to a public agency or other
9 person in developing and constructing new housing and
10 rehabilitating existing housing for elders of low- and
11 moderate-income, other persons of low- and moderate-
12 income, and persons displaced by any governmental
13 action, by making long-term mortgage or interim
14 construction loans available;

15 (4) Contract with any eligible bidders to provide for
16 construction of urgently needed housing for persons of
17 low- and moderate-income;

18 (5) Guarantee the top twenty-five per cent of the
19 principal balance of real property mortgage loans,
20 plus interest thereon, made to qualified borrowers by
21 qualified lenders;



- 1 (6) Enter into mortgage guarantee agreements with
2 appropriate officials of any agency or instrumentality
3 of the United States to induce those officials to
4 commit to insure or to insure mortgages under the
5 National Housing Act, as amended;
- 6 (7) Make a direct loan to any qualified buyer for the
7 downpayment required by a private lender to be made by
8 the borrower as a condition of obtaining a loan from
9 the private lender in the purchase of residential
10 property;
- 11 (8) Provide funds for a share, not to exceed fifty per
12 cent, of the principal amount of a loan made to a
13 qualified borrower by a private lender who is unable
14 otherwise to lend the borrower sufficient funds at
15 reasonable rates in the purchase of residential
16 property; and
- 17 (9) Sell or lease completed dwelling units[-];
- 18 provided that, beginning January 1, 2023, no county shall impose
19 impact fees, including those fees established under part VII of
20 chapter 46, and inclusionary and in lieu fees, on a housing



1 development's affordable units that would meet the requirements
2 of "affordable housing" as defined in section 46-15.25.

3 For purposes of this section, a limitation is applicable to
4 the extent that it may reasonably be construed to apply to a
5 county."

6 SECTION 2. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

8 SECTION 3. This Act shall take effect upon its approval;
9 provided that the amendments made to section 46-15.1, Hawaii
10 Revised Statutes, by section 1 of this Act shall not be repealed
11 when that section is repealed and reenacted on July 1, 2024,
12 pursuant to sections 1 and 2 of Act 80, Session Laws of Hawaii
13 2018.

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INTRODUCED BY:

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S.B. NO. 2264

Report Title:

Impact Fees; Inclusionary Fees; In-Lieu Fees; Counties;
Affordable Housing

Description:

Prohibits county and state agencies from imposing impact and other fees for the development of affordable housing units.

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