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# A BILL FOR AN ACT

AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS FOR  
AFFORDABLE HOUSING.

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

1           SECTION 1. The legislature finds that the rental housing  
2 revolving fund provides gap financing to developers of  
3 affordable housing that is targeted to very low income  
4 households, or households with incomes at or below sixty per  
5 cent of the area median income, and to extremely low income  
6 households, or households with incomes at or below thirty per  
7 cent of the area median income, in the State.

8           The legislature further finds that demand for the rental  
9 housing revolving fund exceeds supply. In 2021, the Hawaii  
10 housing finance and development corporation awarded \$83,000,000  
11 from the rental housing revolving fund to seven developers with  
12 projects totaling five hundred twelve housing units. However,  
13 in the same year, sixteen other developers with projects  
14 totaling two thousand two hundred units also requested  
15 \$269,000,000 from the rental housing revolving fund through the  
16 competitive application process.



1           The legislature also finds that while the use of the rental  
2 housing revolving fund is limited by the allocation of low-  
3 income housing tax credits and private activity bond caps set by  
4 the federal government, an additional allocation of funds from  
5 the rental housing revolving fund will help build additional  
6 affordable homes in the State.

7           The purpose of this Act is to authorize, and appropriate  
8 funds for, the issuance of general obligation bonds for deposit  
9 into and out of the rental housing revolving fund for low-income  
10 rental housing projects and units developed pursuant to section  
11 201H-202(e)(1), Hawaii Revised Statutes.

12           SECTION 2. The director of finance is authorized to issue  
13 general obligation bonds in the sum of \$300,000,000 or so much  
14 thereof as may be necessary and the same sum or so much thereof  
15 as may be necessary is appropriated for fiscal year 2022-2023 to  
16 be deposited into the rental housing revolving fund established  
17 pursuant to section 201H-202, Hawaii Revised Statutes.

18           SECTION 3. There is appropriated out of the rental housing  
19 revolving fund established pursuant to section 201H-202, Hawaii  
20 Revised Statutes, the sum of \$300,000,000 or so much thereof as  
21 may be necessary for fiscal year 2022-2023 for projects



1 developed pursuant to section 201H-202(e)(1), Hawaii Revised  
2 Statutes.

3 The sum appropriated shall be expended by the Hawaii  
4 housing finance and development corporation for the purposes of  
5 this Act.

6 SECTION 4. This Act shall take effect on July 1, 2050.



**Report Title:**

General Obligation Bonds; Rental Housing Revolving Fund; Hawaii Housing Finance and Development Corporation; Appropriation

**Description:**

Authorizes, and appropriates funds for, the issuance of general obligation bonds into and out of the rental housing revolving fund for low-income rental housing projects or units that are allocated low-income housing tax credits and developed for families and individuals who meet certain eligibility requirements. Effective 7/1/2050. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

