
A BILL FOR AN ACT

RELATING TO THE RENTAL HOUSING REVOLVING FUND.

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

1 SECTION 1. The legislature finds that the development of
2 rental housing for households making between sixty and one
3 hundred per cent of the of area median income is not financially
4 feasible. Although funding is set aside each year for the
5 rental housing revolving fund, these funds are used as gap
6 financing in conjunction with federal and state low-income
7 housing tax credit financed projects serving sixty per cent of
8 area median income and below.

9 The legislature further finds that although the rental
10 housing revolving fund allows funding up to one hundred forty
11 per cent of area median income, it rarely gets used for families
12 above sixty per cent of area median income, as the demand for
13 the funds in the revolving fund far exceeds available funding.
14 Although general excise tax waivers and county subsidies help
15 reduce development costs, new workforce rental housing is very
16 difficult to build without state subsidies.



1 The legislature also finds that strategies are needed to
2 help keep local residents in the State. Having affordable
3 rental housing opportunities for working families will reduce
4 domestic outmigration and fill critical labor needs throughout
5 the State.

6 The purpose of this Act is to:

- 7 (1) Deposit funds into the rental housing revolving fund
- 8 to be used for housing projects and units that are
- 9 targeted to families with incomes between sixty and
- 10 one hundred per cent of the median family income; and
- 11 (2) Enable the Hawaii housing finance and development
- 12 corporation to use any unused moneys for other
- 13 authorized rental housing projects.

14 SECTION 2. There is appropriated out of the general
15 revenues of the State of Hawaii the sum of \$ or so much
16 thereof as may be necessary for fiscal year 2022-2023 to be
17 deposited into the rental housing revolving fund established by
18 section 201H-202, Hawaii Revised Statutes.

19 SECTION 3. There is appropriated out of the rental housing
20 revolving fund the sum of \$ or so much thereof as may
21 be necessary for fiscal year 2022-2023 to be used for projects



1 or units in a mixed-income rental project for persons and
 2 families with incomes between sixty per cent and one hundred per
 3 cent of the median family income; provided that any moneys
 4 unused and unencumbered as of June 30, 2023, may be used for
 5 other rental housing projects pursuant to sections 201H-
 6 202(e)(1)(A) and 201H-202(e)(1)(B), Hawaii Revised Statutes.

7 The sum appropriated shall be expended by the Hawaii
 8 housing finance and development corporation for the purposes of
 9 this Act; provided that the appropriation shall not lapse at the
 10 end of the fiscal year for which the appropriation is made;
 11 provided further that all moneys from the appropriation that are
 12 unencumbered as of June 30, 2024, shall lapse on that date.

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



Report Title:

Rental Housing Revolving Fund; Affordable Housing; Hawaii
Housing Finance and Development Corporation; Appropriation

Description:

Deposits funds into the Rental Housing Revolving Fund to be used to provide loans or grants to mixed-income rental projects or units for persons and families with incomes between 60 and 100% of the median family income. Enables the Hawaii Housing Finance and Development Corporation to use any unused moneys for other authorized rental housing projects. Effective 7/1/2050. (SD2)

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