

JAN 23 2025

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# A BILL FOR AN ACT

RELATING TO HOUSING ASSISTANCE.

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

1           SECTION 1. The legislature finds that housing stability is  
2 fundamental to the well-being of Hawaii's residents and overall  
3 health of the State's economy. The State recognizes the  
4 importance of timely and accessible financial assistance to  
5 preserve homeownership, safeguard communities, and mitigate the  
6 broader economic impact of foreclosure. The homeowner  
7 assistance fund, established under the federal American Rescue  
8 Plan Act of 2021, and other federal programs such as the  
9 emergency homeowners' loan program and safeguarding tomorrow  
10 revolving loan fund program, provide valuable frameworks for  
11 addressing the immediate needs of homeowners while promoting  
12 long-term financial resilience.

13           The legislature recognizes that there is a pressing need  
14 for a state-managed revolving loan fund to provide emergency  
15 mortgage and housing assistance that supports homeowners facing  
16 short-term financial hardships.



1           Accordingly, the purpose of this Act is to establish the  
2 emergency home loan assistance revolving fund to provide Hawaii  
3 residents loans, under certain conditions.

4           SECTION 2. Chapter 201H, Hawaii Revised Statutes, is  
5 amended by adding a new section to part III, subpart A to be  
6 appropriately designated and to read as follows:

7           "§201H-       Emergency home loan assistance revolving fund.

8           (a) There is established the emergency home loan assistance  
9 revolving fund to be administered by the corporation.

10           (b) The following may be deposited into the fund:

11           (1) Appropriations made by the legislature;

12           (2) Private contributions;

13           (3) Proceeds from the repayment of loans issued under this  
14 section;

15           (4) Other returns; and

16           (5) Moneys from other sources.

17           (c) The fund shall be used to issue loans for emergency  
18 home loan assistance payments to individuals who are in default  
19 or at risk of being in default on their home loan; provided that  
20 a loan issued to an individual shall not exceed an amount equal  
21 to three regular monthly payments of the individual's home loan.



1        (d) Individuals who are issued a loan pursuant to this  
2 section shall repay the loan to the corporation in full. The  
3 loan shall be repaid in full to the corporation within ninety  
4 days following the satisfaction of the individual's home loan  
5 term or upon sale of the property, whichever is earlier.

6        (e) The corporation shall adopt rules in accordance with  
7 chapter 91 necessary to carry out the purposes of this section.

8        (f) The corporation shall submit a report of its findings  
9 and recommendations concerning the emergency home loan  
10 assistance revolving fund, including any proposed legislation,  
11 to the legislature no later than twenty days prior to the  
12 convening of each regular session."

13        SECTION 3. There is appropriated out of the general  
14 revenues of the State of Hawaii the sum of \$                    or so  
15 much thereof as may be necessary for fiscal year 2025-2026 and  
16 the same sum or so much thereof as may be necessary for fiscal  
17 year 2026-2027 to be deposited into the emergency home loan  
18 assistance revolving fund.

19        SECTION 4. There is appropriated out of the emergency home  
20 loan assistance revolving fund the sum of \$                    or so much  
21 thereof as may be necessary for fiscal year 2025-2026 and the



1 same sum or so much thereof as may be necessary for fiscal year  
2 2026-2027 to issue loans for emergency home loan assistance  
3 payments pursuant to section 2 of this Act.

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

7 SECTION 5. New statutory material is underscored.

8 SECTION 6. This Act shall take effect on July 1, 2025.

9

INTRODUCED BY:

*Clm*



# S.B. NO. 1283

**Report Title:**

HHFDC; Emergency Home Loan Assistance Revolving Fund; Reports; Appropriations

**Description:**

Establishes the Emergency Home Loan Assistance Revolving Fund to be administered by the Hawaii Housing Finance and Development Corporation. Establishes terms for loans issued from the Revolving Fund. Requires annual reports to the Legislature. Appropriates funds.

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

