

JAN 21 2026

A BILL FOR AN ACT

RELATING TO HOUSING.

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

1 SECTION 1. The legislature finds that there are
2 approximately fifteen thousand affordable housing units in the
3 State that have affordability restrictions that will expire by
4 the year 2100.

5 The legislature further finds that the Kukui Gardens
6 complex was constructed in 1970 as an affordable rental housing
7 community supported by subsidized federal loans. When the
8 affordability restrictions for Kukui Gardens units expired, the
9 State was compelled to purchase the project from the owner for
10 \$132,500,000 in 2006 to preserve the affordability for tenants
11 in place. The owner of Kukui Gardens then used the proceeds of
12 the sale to fund other charitable donations that were unrelated
13 to housing.

14 The legislature finds that action is needed to ensure that
15 the value generated by taxpayer-financed housing developments is
16 recycled to build more housing.



1 Accordingly, the purpose of this Act is to require eligible
2 applicants for moneys from the rental housing revolving fund to
3 be either:

4 (1) Organizations that are required to use all financial
5 surplus, excluding fees received by the organizations,
6 to develop additional housing in the State; or
7 (2) Governmental agencies.

8 SECTION 2. Section 201H-203, Hawaii Revised Statutes, is
9 amended to read as follows:

10 "~~[f]S201H-203[]~~ **Eligible applicants for funds.** ~~[Eligible~~
11 ~~applicants]~~ To be eligible for funds, applicants shall [include
12 ~~nonprofit and for-profit organizations, limited liability~~
13 ~~companies, partnerships, and government]~~ be:

14 (1) Either:

15 (A) Organizations that are required to use all
16 financial surplus, excluding fees received by the
17 organizations, to develop additional housing in
18 the State; or

19 (B) Government agencies[, ~~who are qualified~~]; and

20 (2) Qualified in accordance with rules adopted by the
21 corporation pursuant to chapter 91."



1 SECTION 3. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

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

4

INTRODUCED BY: Stevens



S.B. NO. 2194

Report Title:

Hawaii Housing Finance and Development Corporation; RHRF; Eligible Applicants; Organizations; Profits; Government Agencies

Description:

Requires applicants for rental housing revolving fund moneys to be either organizations that are required to use all financial surplus, excluding fees, to develop additional housing in the State, or government agencies. Effective 7/1/2050.

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

