

JAN 21 2026

A BILL FOR AN ACT

RELATING TO THE CONVEYANCE TAX.

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

1 SECTION 1. Section 201H-191, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§201H-191 Dwelling unit revolving fund.** (a) There is
4 created a dwelling unit revolving fund. The [~~funds appropriated~~
5 ~~for the purpose of the dwelling unit revolving fund and all~~
6 ~~moneys received or collected by the corporation for the purpose~~
7 ~~of the revolving fund]~~ following shall be deposited [~~in~~] into
8 the revolving fund[-]:

9 (1) Funds appropriated for the purpose of the dwelling
10 unit revolving fund;

11 (2) A portion of conveyance taxes pursuant to section
12 247-7(3); and

13 (3) All moneys received or collected by the corporation
14 for the purpose of the revolving fund.

15 (b) The proceeds in the revolving fund shall be used:



- 1 (1) To reimburse the general fund to pay the interest on
2 general obligation bonds issued for the purposes of
3 the revolving fund;
- 4 (2) For necessary expenses in administering housing
5 development programs, regional state infrastructure
6 programs, and the government employee housing program
7 pursuant to part V; and
- 8 (3) To carry out the purposes of housing development
9 programs, regional state infrastructure programs, and
10 the government employee housing program pursuant to
11 part V, including but not limited to the expansion of
12 community facilities and regional state infrastructure
13 constructed in conjunction with housing and mixed-use
14 transit-oriented development projects, permanent
15 primary or secondary financing, and supplementing
16 building costs, federal guarantees required for
17 operational losses, and all things required by any
18 federal agency in the construction and receipt of
19 federal funds or low-income housing tax credits for
20 housing projects.



1 ~~[(b)]~~ (c) Subject to the requirements of subsection ~~[(a)],~~
2 (b), proceeds in the revolving fund may be used to:

3 (1) Establish and operate regional state infrastructure
4 subaccounts pursuant to section 201H-191.5; and

5 (2) Administer, implement, and finance the government
6 employee housing program pursuant to part V."

7 SECTION 2. Section 247-7, Hawaii Revised Statutes, is
8 amended to read as follows:

9 "**§247-7 Disposition of taxes.** All taxes collected under
10 this chapter shall be paid into the state treasury to the credit
11 of the general fund of the State, to be used and expended for
12 the purposes for which the general fund was created and exists
13 by law; provided that of the taxes collected each fiscal year:

14 (1) Ten per cent or \$5,100,000, whichever is less, shall
15 be paid into the land conservation fund established
16 pursuant to section 173A-5; ~~[and]~~

17 (2) Fifty per cent ~~[or \$38,000,000, whichever is less,]~~
18 shall be paid into the rental housing revolving fund
19 established ~~[by]~~ pursuant to section 201H-202~~[-]~~; and



1 (3) Twenty per cent shall be paid into the dwelling unit
2 revolving fund established pursuant to section
3 201H-191."

4 SECTION 3. Statutory material to be repealed is bracketed
5 and stricken. New statutory material is underscored.

6 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:

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S.B. NO. 2379

Report Title:

Conveyance Tax; Dwelling Unit Revolving Fund; Rental Housing
Revolving Fund; Allocations

Description:

Allocates twenty per cent of conveyance tax revenues to the
Dwelling Unit Revolving Fund. Repeals the annual cap amount on
the allocation of conveyance tax revenues to the Rental Housing
Revolving Fund.

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not legislation or evidence of legislative intent.*

