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# A BILL FOR AN ACT

RELATING TO HOUSING.

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

1 SECTION 1. Section 46-15.1, Hawaii Revised Statutes, is  
2 amended by amending subsection (a) to read as follows:  
3 "(a) Notwithstanding any law to the contrary, any county  
4 shall have and may exercise the same powers, subject to  
5 applicable limitations, as those granted the Hawaii housing  
6 finance and development corporation pursuant to chapter 201H  
7 insofar as those powers may be reasonably construed to be  
8 exercisable by a county for the purpose of developing,  
9 constructing, financing, refinancing, or otherwise providing  
10 low- and moderate-income housing projects and mixed-use  
11 developments; provided that no county shall be empowered to  
12 cause the State to issue general obligation bonds to finance a  
13 project pursuant to this section; provided further that county  
14 projects shall be granted an exemption from general excise or  
15 receipts taxes in the same manner as projects of the Hawaii  
16 housing finance and development corporation pursuant to section  
17 201H-36; provided further that county projects shall prioritize



1 walkability to the extent practicable; provided further that  
2 mixed-use developments developed, constructed, financed,  
3 refinanced, or otherwise provided by this section shall be  
4 confined to transit-oriented developments that include housing  
5 along a locally preferred alternative for a mass transit system;  
6 provided further that section 201H-16 shall not apply to this  
7 section unless federal guidelines specifically provide local  
8 governments with that authorization and the authorization does  
9 not conflict with any state laws. The powers shall include the  
10 power, subject to applicable limitations, to:

- 11 (1) Develop and construct dwelling units, alone or in  
12 partnership with developers;
- 13 (2) Acquire necessary land by lease, purchase, exchange,  
14 or eminent domain;
- 15 (3) Provide assistance and aid to a public agency or other  
16 person in developing and constructing new housing and  
17 rehabilitating existing housing for elders of low- and  
18 moderate-income, other persons of low- and moderate-  
19 income, and persons displaced by any governmental  
20 action, by making long-term mortgage or interim  
21 construction loans available;



- 1           (4) Contract with any eligible bidders to provide for  
2           construction of urgently needed housing for persons of  
3           low- and moderate-income;
- 4           (5) Guarantee the top twenty-five per cent of the  
5           principal balance of real property mortgage loans,  
6           plus interest thereon, made to qualified borrowers by  
7           qualified lenders;
- 8           (6) Enter into mortgage guarantee agreements with  
9           appropriate officials of any agency or instrumentality  
10          of the United States to induce those officials to  
11          commit to insure or to insure mortgages under the  
12          National Housing Act, as amended;
- 13          (7) Make a direct loan to any qualified buyer for the  
14          downpayment required by a private lender to be made by  
15          the borrower as a condition of obtaining a loan from  
16          the private lender in the purchase of residential  
17          property;
- 18          (8) Provide funds for a share, not to exceed fifty per  
19          cent, of the principal amount of a loan made to a  
20          qualified borrower by a private lender who is unable  
21          otherwise to lend the borrower sufficient funds at



1 reasonable rates in the purchase of residential  
2 property; and

3 (9) Sell or lease completed dwelling units.

4 The authority provided under this section shall continue to  
5 apply to any mixed-use development project for which, prior to  
6 July 1, 2033, the county has obtained county council approval or  
7 entered into a binding agreement, including a purchase  
8 agreement, pre-development agreement, development agreement, or  
9 ground lease, committing the county to the acquisition or  
10 development of the property for mixed-use development. Any such  
11 project shall be deemed vested and may proceed to completion  
12 notwithstanding any subsequent repeal or modification of the  
13 authority provided under this section.

14 For purposes of this section, a limitation is applicable to  
15 the extent that it may reasonably be construed to apply to a  
16 county."

17 SECTION 2. Act 45, Session Laws of Hawaii 2024, is amended  
18 by amending section 4 to read as follows:

19 "SECTION 4. This Act shall take effect upon its approval,  
20 and shall apply to bond proceeds expended by a county after  
21 December 31, 2023[, and shall be repealed on June 30, 2028;]



1 ~~provided that section 46-15.1, Hawaii Revised Statutes, shall be~~  
2 ~~reenacted in the form in which it read on the day before the~~  
3 ~~effective date of this Act.]; provided that the amendments made~~  
4 ~~to section 46-15.1 by section 2 of this Act shall only apply to~~  
5 ~~bonds originally issued before July 1, 2033, and shall not be~~  
6 ~~repealed when that section is reenacted on:~~

7 (1) July 1, 2030, pursuant to:

8 (A) Section 3 of Act 141, Session Laws of Hawaii  
9 2009, as amended by section 3 of Act 102, Session  
10 Laws of Hawaii 2015, as amended by section 1 of  
11 Act 80, Session Laws of Hawaii 2019, as amended  
12 by section 2 of Act 90, Session Laws of Hawaii  
13 2023; and

14 (B) Section 3 of Act 98, Session Laws of Hawaii 2012,  
15 as amended by section 4 of Act 102, Session Laws  
16 of Hawaii 2015, as amended by section 50 of Act  
17 55, Session Laws of Hawaii 2016, as amended by  
18 section 2 of Act 80, Session Laws of Hawaii 2019,  
19 as amended by section 3 of Act 90, Session Laws  
20 of Hawaii 2023; and



1        (2) July 1, 2031, pursuant to section 4 of Act 31, Session  
2        Laws of Hawaii 2024."

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

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



**Report Title:**

HHFDC; Affordable Housing; County Powers; Sunset

**Description:**

Limits mixed-use developments to transit-oriented developments that include housing along a locally preferred alternative for a mass transit system. Repeals the sunset date of Act 45, SLH 2024, thereby making permanent the authority of the counties to share in facilitating the development, construction, financing, refinancing, or other provision of mixed-use developments, including low- and moderate-income housing projects, and issue county bonds before 7/1/2033 for this purpose. 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.*

