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

4 "§201H- Transfer of moneys; subaccounts.

5 Notwithstanding any law to the contrary, the corporation, with
6 the approval of the director of finance, may transfer moneys
7 between the rental housing revolving fund and any subaccount
8 established under this part, and between subaccounts established
9 under this chapter, without further legislative authorization,
10 for purposes consistent with this part. The corporation may
11 also return unexpended or uncommitted funds from any subaccount
12 established under this part to the rental housing revolving
13 fund, to be used for any lawful purpose of the fund."

14 SECTION 2. Section 201H-202, Hawaii Revised Statutes, is
15 amended by amending subsection (e) to read as follows:

16 "(e) Except as provided in subsection (f), moneys
17 available in the fund shall be used for the purpose of



1 providing, in whole or in part, loans for rental housing
2 projects demonstrating project readiness, efficiency, and
3 feasibility acceptable to the corporation in the following order
4 of priority:

5 (1) Projects or units in projects that are allocated low-
6 income housing credits pursuant to the state housing
7 credit ceiling under section 42(h) of the Internal
8 Revenue Code of 1986, as amended, or projects or units
9 in projects that are funded by programs of the United
10 States Department of Housing and Urban Development and
11 United States Department of Agriculture Rural
12 Development wherein:

13 (A) At least fifty per cent of the available units
14 are for persons and families with incomes at or
15 below eighty per cent of the area median [~~family~~]
16 income of which at least five per cent of the
17 available units are for persons and families with
18 incomes at or below thirty per cent of the area
19 median [~~family~~] income; and



1 (B) The remaining units are for persons and families
 2 with incomes at or below one hundred per cent of
 3 the area median [~~family~~] income;
 4 provided that the corporation may establish rules to
 5 ensure full occupancy of fund projects; provided
 6 further that for projects that were awarded low-income
 7 housing credits pursuant to this paragraph, priority
 8 shall be given to projects with a perpetual
 9 affordability commitment. For purposes of this
 10 paragraph, "perpetual" means the useful life of the
 11 project; and

12 (2) Mixed-income rental projects or units in a mixed-
 13 income rental project for [~~persons and families~~]
 14 households at a range of income levels, but primarily
 15 for households with incomes at or below one hundred
 16 forty per cent of the area median [~~family~~] income."

17 SECTION 3. Act 159, Session Laws of Hawaii 2025, is
 18 amended by amending section 8 to read as follows:

19 "SECTION 8. This Act shall take effect upon its approval[+
 20 ~~provided that sections 2 and 3 of this Act shall be repealed on~~
 21 ~~June 30, 2030, and sections 201H-202 and 201H-204, Hawaii~~



1 ~~Revised Statutes, shall be reenacted in the form in which they~~
2 ~~read on the day prior to the effective date of this Act]."~~

3 SECTION 4. The director of finance is authorized to
4 transfer moneys from the rental housing revolving fund to the
5 mixed-income subaccount of the rental housing revolving fund in
6 an amount not to exceed \$100,000,000 for fiscal year 2026-2027.

7 SECTION 5. There is appropriated out of the general
8 revenues of the State of Hawaii the sum of \$ or so
9 much thereof as may be necessary for fiscal year 2026-2027 to be
10 deposited into the mixed-income subaccount of the rental housing
11 revolving fund established under section 201H-202(f), Hawaii
12 Revised Statutes.

13 SECTION 6. There is appropriated out of the mixed-income
14 subaccount of the rental housing revolving fund established
15 under section 201H-202(f), Hawaii Revised Statutes, the sum of
16 \$ or so much thereof as may be necessary for fiscal
17 year 2026-2027 for the purposes of the subaccount.

18 The sum appropriated shall be expended by the Hawaii
19 housing finance and development corporation for the purposes of
20 this Act.



1 SECTION 7. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 8. This Act shall take effect on July 1, 3000.



Report Title:

HHFDC; Rental Housing Revolving Fund; Mixed-Income Subaccount;
Transfer of Moneys; Mixed-Income Rental Projects; Appropriation

Description:

Specifies the conditions upon which the Hawaii Housing Finance and Development Corporation may transfer moneys from within the Rental Housing Revolving Fund to a subaccount and between subaccounts of the fund. Clarifies what constitutes a mixed-income rental project for purposes of loans funded through the Mixed-Income Subaccount. Repeals the sunset date for the Mixed-Income Subaccount. Authorizes the Director of Finance to deposit rental housing revolving funds into, and appropriates funds into and out of, the Mixed-Income Subaccount. Effective 7/1/3000. (HD1)

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