
A BILL FOR AN ACT

RELATING TO THE DWELLING UNIT REVOLVING FUND.

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

1 SECTION 1. The legislature finds that the dwelling unit
2 revolving fund equity pilot program was established to create
3 more homeownership opportunities for qualified purchasers,
4 especially those who work in professions with critical shortages
5 in the State, such as health care workers, educators, law
6 enforcement and correctional officers, and agricultural field
7 workers. Under the dwelling unit revolving fund equity pilot
8 program, the Hawaii housing finance and development corporation
9 uses funds in the dwelling unit revolving fund to work with
10 developers of for-sale projects to purchase a specified amount
11 of equity in designated units that are being sold to qualified
12 residents, thus lowering the price of the qualifying home for
13 the qualifying resident.

14 The legislature further finds that extending the sunset
15 date of the dwelling unit revolving fund equity pilot program
16 demonstrates a viable, sustainable approach to increasing access
17 to homeownership for residents of the State.



1 Accordingly, the purpose of this Act is to:

2 (1) Extend the sunset date of the dwelling unit revolving
3 fund equity pilot program pursuant to Act 92, Session
4 Laws of Hawaii 2023, from June 30, 2028, to June 30,
5 2031; and

6 (2) Require that any equity purchased by the Hawaii
7 housing finance and development corporation under the
8 dwelling unit revolving fund equity pilot program be
9 in a for-sale housing development project within a
10 transit-oriented development zone.

11 SECTION 2. Act 92, Session Laws of Hawaii 2023, is amended
12 by amending section 2 as follows:

13 1. By amending subsection (b) to read:

14 "(b) The Hawaii housing finance and development
15 corporation may purchase equity in for-sale housing development
16 projects[+] within a transit-oriented development zone; provided
17 that this equity shall be allocated to specific units within the
18 housing development projects and the price to be paid by each
19 eligible buyer of a unit shall be reduced by the Hawaii housing
20 finance and development corporation's equity amount for that
21 unit."



1 2. By amending subsection (g) to read:

2 "(g) As used in this section:

3 "Housing development project" means a plan, design, or
4 undertaking by the Hawaii housing finance and development
5 corporation or an eligible developer for the development of
6 units. "Housing development project" includes all real and
7 personal property, buildings and improvements, commercial space,
8 lands for farming and gardening, community facilities acquired
9 or constructed or to be acquired or constructed, and all
10 tangible or intangible assets held or used in connection with
11 the housing development project.

12 "Transit-oriented development zone" means:

13 (1) For a county with a population of five hundred
14 thousand or more, a transit-oriented development
15 infrastructure improvement program area pursuant to
16 section 206E-243, Hawaii Revised Statutes; or

17 (2) For a county with a population of less than five
18 hundred thousand, a county-designated transit area, an
19 area situated along major bus routes, or an area
20 within a one-half-mile radius of a bus stop, as
21 defined by the respective county.



1 "Unit" means:

2 (1) The structure and land upon which the structure is
3 constructed, whether on fee simple or leasehold
4 property, developed for residential purposes pursuant
5 to chapter 201H, Hawaii Revised Statutes; or

6 (2) Improved or unimproved real property that is developed
7 for residential purposes pursuant to chapter 201H,
8 Hawaii Revised Statutes.

9 "Unit" includes dwelling units."

10 SECTION 3. Act 92, Session Laws of Hawaii 2023, is amended
11 by amending section 5 to read as follows:

12 "SECTION 5. This Act shall take effect on July 1, 2023,
13 and section 2 shall be repealed on June 30, [~~2028~~] 2031;
14 provided that[+]

15 ~~(1) Section 201H-47, Hawaii Revised Statutes, shall be~~
16 ~~reenacted in the form in which it read on the day~~
17 ~~prior to the effective date of this Act; and~~

18 ~~(2) The] the requirements imposed pursuant to section 2(c)~~
19 ~~of this Act shall remain in effect and run with the~~
20 ~~deed after June 30, [~~2028~~] 2031."~~



1 SECTION 4. The Hawaii housing finance and development
2 corporation may spend up to \$20,000,000 or so much thereof as
3 may be necessary for fiscal year 2026-2027 from the dwelling
4 unit revolving fund for the equity pilot program established
5 pursuant to Act 92, Session Laws of Hawaii 2023.

6 SECTION 5. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

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



Report Title:

HHFDC; Dwelling Unit Revolving Fund; Dwelling Unit Revolving Fund Equity Pilot Program

Description:

Extends the sunset date of the Dwelling Unit Revolving Fund Equity Pilot Program pursuant to Act 92, SLH 2023, from June 30, 2028, to June 30, 2031. Requires any equity purchased by the Hawaii Housing Finance and Development Corporation under the Dwelling Unit Revolving Fund Equity Pilot Program to be in a for-sale housing development project within a transit-oriented development zone. Authorizes HHFDC to spend up to \$20,000,000 from the Dwelling Unit Revolving Fund for the Equity Pilot Program established pursuant to Act 92, Session Laws of Hawaii 2023. (CD2)

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