
A BILL FOR AN ACT

RELATING TO HOUSING.

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

1 SECTION 1. Section 201H-181, Hawaii Revised Statutes, is
2 amended by amending its title and subsections (a) and (b) to
3 read as follows:

4 "~~{}~~§201H-181~~{}~~ **Rent-to-own program.** (a) The
5 corporation may establish a rent-to-own program under which
6 dwelling units that are for sale;

7 (1) In fee simple; or

8 (2) Leasehold on non-ceded state or county land under a
9 lease having an initial term of not less than ninety-
10 nine years,

11 may be rented to program participants. Under this program, the
12 corporation shall credit a portion of the rent received toward
13 the purchase of the unit.

14 (b) The sales price shall be established at the beginning
15 of the rental term and shall remain fixed [~~for the first five~~
16 ~~years after the rental agreement is executed.~~] during the option
17 period established by the corporation. During this period, the



1 participant shall have the option of purchasing the unit at the
2 designated sales price. If the participant does not elect to
3 purchase the unit within the [~~five-year~~] option period, the
4 renter shall forfeit the right to continue living in the unit
5 and the unit shall be made available to another purchaser or
6 renter."

7 SECTION 2. This Act does not affect rights and duties that
8 matured, penalties that were incurred, and proceedings that were
9 begun before its effective date.

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 Statutory material to be repealed is bracketed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

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



Report Title:

HHFDC; Housing; Rent-to-Own Program; Fee Simple; Leasehold;
Option Period

Description:

Clarifies that the dwelling units eligible for the Rent-to-Own Program shall be units that are for sale in fee simple or leasehold on non-ceded state or county land under a lease with an initial term of not less than 99 years. Replaces the five-year period during which the sales price of a rent-to-own dwelling unit shall remain fixed with an option period established by the Hawaii Housing Finance and Development Corporation. 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.

