

A Bill for an Act Relating to Housing.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 356-201, Hawaii Revised Statutes, is amended by amending the definition of "Eligible borrower" to read as follows:

" "Eligible borrower" means any person or family, irrespective of race, creed, national origin, or sex, who:

- (1) Is a citizen of the United States or a declarant alien;
- (2) Is a bona fide resident of the State;
- (3) Is at least of legal age;
- (4) Does not himself or herself, or whose spouse if the person is married, own any interest in a principal residence within or without the State and who has not owned a principal residence within the three years immediately prior to the application for an eligible loan under this part, except this requirement shall not apply to any eligible loan for a targeted area residence as defined in the Mortgage Subsidy Bond Tax Act of 1980, Public Law 96-499, which residence is to replace a housing unit which has been declared structurally unsalvageable by a governmental board or agency having the power to make such a declaration; and provided further that this requirement shall not apply to up to ten per cent of eligible loans of a bond issue made to single-parent household borrowers. No such loans, however, shall be made if they adversely affect the tax-exempt status of the bonds issued. For the purpose of this section, "single-parent household" means a household headed by a single person who has legal custody of one or more dependent children;
- (5) Has never before obtained a loan under this part; and
- (6) Meets other qualifications as established by rules adopted by the authority."

SECTION 2. New material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved April 13, 1985.)