

A Bill for an Act Relating to Public Lands.

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

SECTION 1. Act 5, Session Laws of Hawaii 1987, is amended by amending Section 5 to read as follows:

“SECTION 5. The department of land and natural resources is authorized to subdivide and provide for the creation of a residential subdivision in Kahana Valley for persons who receive long-term leases under the provisions of this Act, which shall be exempt from all statutes, ordinances, charter provisions, and rules of any governmental agency relating to zoning and construction standards for subdivisions, the development and improvement of land, and the construction of units thereon; provided that the department of land and natural resources finds the project is consistent with the findings and purpose of this Act and the project meets minimum requirements of health and safety[; and provided further that no state funds shall be expended in the relocation or construction of these residences authorized under the provisions of this Act].”

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,360,000, or so much thereof as may be necessary for fiscal year 1988-1989, to provide low-interest home construction and mortgage loans of up to \$50,000 each for holders of Kahana Valley State Park residential leases; provided that of the sum appropriated, up to \$160,000 may be used for administrative and other expenses necessary for administering the loan program. The housing finance and development corporation shall administer the loan program, and shall assist the department of land and natural resources in establishing the housing construction program. Guidelines shall be established by the housing finance and development corporation for loan terms, such as construction and mortgage loan interest rates and loan qualification criteria; provided that all lessees who qualify for mortgage loans issued pursuant to this Act shall receive lease terms of not less than the mortgage loan period. Moneys appropriated shall be deposited into the housing finance revolving fund and shall be expended by the housing finance development corporation for the purposes of this Act; provided that upon fulfillment of the purposes of this Act, all unencumbered moneys shall lapse into the state general fund.

SECTION 3. Statutory material to be repealed is bracketed.

SECTION 4. This Act shall take effect on July 1, 1988.

(Approved June 8, 1988.)