

ACT 312

S.B. NO. 2560

A Bill for an Act Relating to Persons with Physical Disabilities.

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

SECTION 1. Chapter 201E, Hawaii Revised Statutes, is amended by adding a new part to be appropriately designated and to read as follows:

**“PART
HOUSING ALTERATION REVOLVING LOAN FUND**

§201E- Purpose; findings and determinations. The legislature finds that there are approximately one hundred twelve thousand persons of all ages with physical disabilities in the State. Many of them require alterations to their residences in order to accommodate their disabilities and assist them in maintaining independent lifestyles. These alterations include, but are not limited to, such basic alterations as modifications to kitchens, baths, doorways, doors,

cabinets, drawers, windows, and other fixtures. These alterations are costly and largely unaffordable for persons with disabilities, many of whom live on a fixed income. The legislature further finds that the cost of these essential residential alterations is far less than the cost of the alternative of institutional care.

It is the purpose of this part to assist persons with physical disabilities by making available affordable loans for necessary alterations to their residences in order for them to maintain independent lifestyles.

§201E- Housing alteration revolving loan fund for persons with physical disabilities. There is created a housing alteration revolving loan fund for persons with physical disabilities, to be administered by the corporation as a separate fund from the other funds under this chapter. The fund shall provide low interest loans to eligible persons with physical disabilities or their caregivers to make design alterations for the purposes of this part; provided that the maximum loan shall be \$25,000 per residence occupied by one or more eligible persons with physical disabilities. Any funds appropriated for the purpose of the housing alteration revolving loan fund for persons with physical disabilities and all moneys received or collected by the corporation for the purpose of the revolving fund shall be used for loans under this part; provided that interest earned on funds appropriated for the housing alteration revolving loan fund may be used by the corporation for administrative purposes.

§201E- Program administration. The corporation, in administering the housing alteration revolving loan fund program, shall establish the terms and conditions, maturities, interest rates, collateral, and other requirements for loans. The corporation shall have the power to take all necessary actions to collect any delinquent amounts in the event of a default in the payment of any installment of principal or interest on any loans made from the fund and to otherwise secure such loans in a manner which affords reasonable protection of the State's resources. The corporation may enter into agreements with or purchase services required for the purposes of this part from any bank as defined in section 403-2.

§201E- Rules. The corporation, in consultation with the commission on persons with disabilities, shall adopt rules in accordance with chapter 91 with respect to the administration of this program and the fund, including, but not limited to, rules concerning income eligibility, certification of medical necessity, and degree of physical disability.”

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$200,000, or so much thereof as may be necessary for fiscal year 1990-1991, to be paid into the housing alteration revolving loan fund for persons with physical disabilities.

SECTION 3. The sum appropriated shall be expended by the housing finance and development corporation for the purposes of this Act.

SECTION 4. In accordance with Section 9 of Article VII of the Constitution of the State of Hawaii and sections 37-91 and 37-93, Hawaii Revised Statutes, the legislature has determined that the appropriation contained in this Act will cause the state general fund expenditure ceiling for fiscal year 1990-1991 to be exceeded by \$200,000, or 0.0078 per cent. The reasons for exceeding the general fund expenditure ceiling are that the appropriation made in this Act is

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necessary to serve the public interest and to meet the needs provided for by this Act.

SECTION 5. This Act shall take effect on July 1, 1990.

(Approved July 3, 1990.)