

ACT 312

S.B. NO. 572

A Bill for an Act Relating to Housing.

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

SECTION 1. Section 201H-206, Hawaii Revised Statutes, is amended by amending subsections (b) and (c) to read as follows:

“(b) Loans shall be awarded in the following descending order of priority:

- (1) Projects or units in projects that are funded by programs of the United States Department of Housing and Urban Development, United States Department of Agriculture Rural Development, and United States Department of the Treasury Community Development Financial Institutions Fund, wherein:
 - (A) At least fifty per cent of the available units are reserved for persons and families having incomes at or below eighty per cent of the median family income and of which at least five per cent of the available units are for persons and families having incomes at or below fifty per cent of the median family income; and
 - (B) The remaining units are reserved for persons and families having incomes at or below one hundred twenty per cent of the median family income; ~~and~~
- (2) Mixed-income affordable for-sale housing projects or units in a mixed-income affordable for-sale housing project wherein all of the available units are reserved for persons and families having incomes at or below one hundred per cent of the median family income~~[-];~~ and
- (3) Loan funds administered by certified nonprofit community development financial institutions to finance the development, pre-development, construction, acquisition, preservation, and substantial rehabilitation of affordable for-sale housing for persons and families having incomes set forth in paragraphs (1) and (2).

(c) Moneys in the fund shall be used to provide loans for the development, pre-development, construction, acquisition, preservation, and substantial rehabilitation of affordable for-sale housing units. Uses of moneys in the fund may include but are not limited to planning, design, and land acquisition, including the costs of options, agreements of sale, and down payments; ~~[equity]~~ financing as matching funds for nonprofit community development financial institutions~~;~~ to mobilize philanthropic, private, or other public funding sources; or other housing development services or activities as provided in rules adopted by the corporation pursuant to chapter 91. The rules may provide that money from the fund shall be leveraged with other financial resources to the extent possible.”

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

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

(Approved July 9, 2025.)