

DAVID Y. IGE
GOVERNOR



DENISE ISERI-MATSUBARA
EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
677 QUEEN STREET, SUITE 300
Honolulu, Hawaii 96813
FAX: (808) 587-0600

IN REPLY REFER TO:

Statement of
DENISE ISERI-MATSUBARA
Hawaii Housing Finance and Development Corporation
Before the

SENATE COMMITTEE ON HOUSING

March 16, 2021 at 1:15 p.m.
State Capitol, Room 225

In consideration of
H.B. 907, H.D. 1
RELATING TO HOUSING.

The HHFDC supports H.B. 907, H.D. 1, which repeals the Downpayment Loan Assistance Program and the Homebuyers' Club Program. These state programs are not cost-effective or necessary since there are successful programs being operated by non-profit entities and financial institutions.

The Downpayment Loan Assistance Program was established in 1995 to provide eligible first-time homebuyers with down payment loans. However, due to lack of funding, only nine down payment loans were made since its inception. Non-profit entities offer down payment assistance loans and there are low-down payment mortgage products offered by the Federal Housing Administration, the Federal National Mortgage Association (Fannie Mae), the U.S. Department of Agriculture, and the U.S. Department of Veterans Affairs.

The Homebuyers' Club Program was originally established in 1993, before U.S. Department of Housing and Urban Development-approved nonprofit housing counseling agencies were established statewide. Nonprofit housing counseling agencies provide homeownership counseling to first-time homebuyers more cost-effectively, making the program obsolete.

Thank you for the opportunity to testify.



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

DAVID Y. IGE
GOVERNOR
MIKE MCCARTNEY
DIRECTOR
CHUNG I. CHANG
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: dbedt.hawaii.gov

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
MIKE MCCARTNEY
Director
Department of Business, Economic Development and Tourism

before the
SENATE COMMITTEE ON HOUSING
Tuesday, March 16, 2021
1:15 PM
State Capitol, Conference Room 308

in consideration of
HB907, HD1
RELATING TO HOUSING.

Chair Chang, Vice Chair Kanuha, and Members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) **supports** HB907, HD1, an Administration bill to repeal two inactive and obsolete programs of the Hawaii Housing Finance and Development Corporation, the Downpayment Loan Assistance Program and the Homebuyer's Club Program. These types of programs are offered by non-profit agencies.

Thank you for the opportunity to testify.