

Honolulu, Hawaii

APR 07 2017

RE: H.B. No. 530
H.D. 2
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 530, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HOMEBUYER ASSISTANCE,"

begs leave to report as follows:

The purpose and intent of this measure is to modernize the Downpayment Loan Program under the Hawaii Housing Finance and Development Corporation (HHFDC).

More specifically, the measure provides that:

- (1) HHFDC may establish, revise, charge, and collect fees, premiums, and charges for the Downpayment Loan Program;
- (2) HHFDC may secure the services of nonprofit organizations to originate downpayment loans on behalf of HHFDC in exchange for a fee; and
- (3) A person must successfully complete a homeownership counseling program in order to qualify for a downpayment loan from HHFDC.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and



Tourism; the Hawaii Housing Finance and Development Corporation; and the Hawaii Association of REALTORS.


Your Committee finds that homeownership creates strong communities through economic growth, and that updating HHFDC's Downpayment Loan Program will help make homeownership more affordable for more Hawaii households.

Your Committee has amended this measure by:

- (1) Clarifying that HHFDC shall determine the prevailing loan origination fee amount for purposes of establishing a fee that a nonprofit organization may charge to originate a downpayment loan on behalf of the State; and
- (2) Making conforming amendments consistent with the change in the name of the Downpayment Loan Program to the Downpayment Loan Assistance Program under this measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 530, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 530, H.D. 2, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



JILL N. TOKUDA, Chair



