



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

June 8, 2018

GOV. MSG. NO. 1139

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Twenty-Ninth State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Twenty-Ninth State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on June 8, 2018, the following bill was signed into law:

HB2748 HD2 SD2 CD1

RELATING TO HOUSING
ACT 039 (18)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

A BILL FOR AN ACT

RELATING TO HOUSING.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

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PART I

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SECTION 1. (a) The Hawaii housing finance and development corporation shall conduct a study of the housing waitlists in the State and in each county to:

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(1) Estimate the number of individuals with access and functional needs in Hawaii, including but not limited to frail elderly individuals, individuals with physical or severe mental disabilities, individuals transitioning from incarceration, emancipated foster youth, individuals with an alcohol or drug addiction, individuals with HIV/AIDS, and victims of domestic violence, who are in need of housing;

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(2) Identify the supportive services that individuals with access and functional needs require, and inventory the number of providers of supportive services in each county;

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1 (3) Develop an information system to forecast and monitor
2 the number of individuals with access and functional
3 needs who are seeking affordable housing; and

4 (4) Develop effective strategies to assist individuals
5 with access and functional needs in accessing and
6 retaining affordable housing in independent settings.

7 The Hawaii housing finance and development corporation
8 shall consult with community stakeholders to identify any other
9 issues that should be included in the study's scope of work.

10 (b) The Hawaii housing finance and development corporation
11 shall submit a written report of its findings and
12 recommendations, including any proposed legislation, to the
13 legislature no later than twenty days prior to the convening of
14 the regular session of 2019.

15 SECTION 2. There is appropriated out of the general
16 revenues of the State of Hawaii the sum of \$50,000 or so much
17 thereof as may be necessary for fiscal year 2018-2019 for the
18 purposes of this part.

19 The sum appropriated shall be expended by the Hawaii
20 housing finance and development corporation for the purposes of
21 this part.



1 PART II

2 SECTION 3. Section 201H-36, Hawaii Revised Statutes, is
3 amended by amending subsection (a) to read as follows:

4 "(a) In accordance with section 237-29, the corporation
5 may approve and certify for exemption from general excise taxes
6 any qualified person or firm involved with a newly constructed,
7 or a moderately or substantially rehabilitated, project[+] that
8 is:

- 9 (1) Developed under this part;
- 10 (2) Developed under a government assistance program
11 approved by the corporation, including but not limited
12 to the United States Department of [~~Agriculture~~]
13 Agriculture's section 502 direct loan program and
14 Federal Housing [~~Administration~~] Administration's
15 section 235 program;
- 16 (3) Developed under the sponsorship of a private nonprofit
17 organization providing home rehabilitation or new
18 homes for qualified families in need of decent, low-
19 cost housing;
- 20 (4) Developed by a qualified person or firm to provide
21 affordable rental housing where at least fifty per



1 cent of the available units are for households with
2 incomes at or below eighty per cent of the area median
3 family income as determined by the United States
4 Department of Housing and Urban Development, of which
5 at least twenty per cent of the available units are
6 for households with incomes at or below sixty per cent
7 of the area median family income as determined by the
8 United States Department of Housing and Urban
9 Development; or

10 (5) [~~Effective~~] Approved or certified from July 1, 2018,
11 to June 30, [~~2022,~~] 2030, and developed under a
12 contract described in section 104-2(i)(2) by a
13 qualified person or firm to provide affordable rental
14 housing[+] through new construction or substantial
15 rehabilitation; provided that:

16 (A) The allowable general excise tax and use tax
17 costs shall apply to contracting only and shall
18 not exceed [~~\$7,000,000~~] \$30,000,000 per year in
19 the aggregate for all projects approved and
20 certified by the corporation; and



1 (B) All available units are for households with
2 incomes at or below one hundred forty per cent of
3 the area median family income as determined by
4 the United States Department of Housing and Urban
5 Development, of which at least twenty per cent of
6 the available units are for households with
7 incomes at or below eighty per cent of the area
8 median family income as determined by the United
9 States Department of Housing and Urban
10 Development [+]; provided that an owner shall not
11 refuse to lease a unit solely because the
12 applicant holds a voucher or certificate of
13 eligibility under section 8 of the United States
14 Housing Act of 1937, as amended."

15 SECTION 4. Act 54, Session Laws of Hawaii 2017, is amended
16 by amending section 5 to read as follows:

17 "SECTION 5. This Act shall take effect on July 1, 2017,
18 and shall be repealed on June 30, [2022+] 2030; provided that:

19 (1) Section 3 of this Act shall apply to taxable years
20 beginning after December 31, 2017 [+], but shall not



1 Revised Statutes, the sum of \$200,000,000 or so much thereof as
2 may be necessary for fiscal year 2017-2018 for the purposes for
3 which the revolving fund is established.

4 The sum appropriated shall be expended by the Hawaii
5 housing finance and development corporation for the purposes of
6 this section.

7 SECTION 8. There is appropriated out of the general
8 revenues of the State of Hawaii the sum of \$10,000,000 or so
9 much thereof as may be necessary for fiscal year 2017-2018 to be
10 deposited into the dwelling unit revolving fund established
11 pursuant to section 201H-191, Hawaii Revised Statutes.

12 SECTION 9. There is appropriated out of the dwelling unit
13 revolving fund established pursuant to section 201H-191, Hawaii
14 Revised Statutes, the sum of \$10,000,000 or so much thereof as
15 may be necessary for fiscal year 2017-2018 for the purposes for
16 which the revolving fund is established.

17 The sum appropriated shall be expended by the Hawaii
18 housing finance and development corporation for the purposes of
19 this section.



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PART V

SECTION 10. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 11. This Act shall take effect upon its approval; provided that:

- (1) Part I shall take effect on July 1, 2018; and
- (2) The amendments made in section 3 of this Act to section 201H-36, Hawaii Revised Statutes, shall apply retroactively to taxable years beginning after December 31, 2017.

APPROVED this 08 day of JUN, 2018



GOVERNOR OF THE STATE OF HAWAII



HB No. 2748, HD 2, SD 2, CD 1


THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 1, 2018
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Twenty-Ninth Legislature of the State of Hawaii, Regular Session of 2018.



Scott K. Saiki
Speaker
House of Representatives





Brian L. Takeshita
Chief Clerk
House of Representatives

THE SENATE OF THE STATE OF HAWAI'I

Date: May 1, 2018
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the
Senate of the Twenty-ninth Legislature of the State of Hawai'i, Regular Session of 2018.


President of the Senate


Clerk of the Senate