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# A BILL FOR AN ACT

RELATING TO THE HAWAIIAN HOMES COMMISSION ACT

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

1           SECTION 1. The legislature finds that the department of  
2 Hawaiian home lands provides loans for the repair, maintenance,  
3 purchase, and erection of a dwelling, however the Hawaiian Homes  
4 Commission Act of 1920, as amended (HHCA), stipulates that these  
5 loans cannot exceed fifty per cent of the maximum single  
6 residence loan amount allowed in Hawaii by the United States  
7 Department of Housing and Urban Development's Federal Housing  
8 Administration (FHA). The purpose of this Act is to amend the  
9 HHCA to increase the FHA loan limit to seventy-five percent of  
10 the maximum single residence loan amount.

11           SECTION 2. Section 215, Hawaiian Homes Commission Act,  
12 1920, as amended, is amended by amending subsection (1) to read  
13 as follows:

14           "(1) At any one time, the outstanding amount of loans made  
15 to any lessee, or successor or successors in interest, for the  
16 repair, maintenance, purchase, and erection of a dwelling and  
17 related permanent improvements shall not exceed [~~fifty~~] seventy-  
18 five per cent of the maximum single residence loan amount

**.B. NO.**           

1 allowed in Hawaii by the United States Department of Housing and  
2 Urban Development's Federal Housing Administration (FHA), for  
3 the development and operation of a farm, ranch, or aquaculture  
4 operation shall not exceed \$50,000, except that when loans are  
5 made to an agricultural or aquacultural cooperative association  
6 for the purposes stated in section 214(a)(4), the loan limit  
7 shall be determined by the department on the basis of the  
8 proposed operations and the available security of the  
9 association, and for the development and operation of a  
10 mercantile establishment shall not exceed the loan limit  
11 determined by the department on the basis of the proposed  
12 operations and the available security of the lessee or of the  
13 organization formed and controlled by lessees; provided that  
14 upon the death of a lessee leaving no relative qualified to be a  
15 lessee of Hawaiian home lands, or the cancellation of a lease by  
16 the department, or the surrender of a lease by the lessee, the  
17 department shall make the payment provided for by section  
18 209(a), the amount of any such payment shall be considered as  
19 part or all, as the case may be, of any such loan to the  
20 successor or successors, without limitation as to the above  
21 maximum amounts; provided further that in case of the death of a  
22 lessee, or cancellation of a lease by the department, or the



# \_\_\_\_.B. NO.\_\_\_\_

**Report Title:**

Hawaiian Homes Commission Act; Federal Housing Administration

**Description:**

To increase the Federal Housing Administration loan limit in the Hawaiian Homes Commission Act, 1920, as amended, to be seventy-five per cent of the maximum single residence loan amount, for direct loans administered by the Department of Hawaiian Home Land.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*