

JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION ACT.

PURPOSE: To increase the Federal Housing Administration (FHA) loan term in the Hawaiian Homes Commission Act, 1920, as amended, to be forty years, for direct loans administered by the Department of Hawaiian Home Lands.

MEANS: Amend Section 215 (2) of the Hawaiian Homes Commission Act, 1920, as amended.

JUSTIFICATION: Allowing for an increase in the FHA loan term of direct loans administered by the Department of Hawaiian Home Lands from thirty years to forty years, will allow for the loan term to be closer to the loan term of the United States Department of Agriculture's Section 502 Direct Loan Program, which is thirty-eight years and will also allow for lower monthly payment amounts.

Impact on the public: This bill protects the interest of beneficiaries of the Hawaiian Homes Commission Act, 1920, as amended, by allowing for a forty-year FHA loan term for direct loans administered by the Department of Hawaiian Home Lands.

Impact on the department and other agencies:  
None.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: HHL 625.

OTHER AFFECTED AGENCIES: None.

EFFECTIVE DATE: Upon Approval.