

HAWAII ADMINISTRATIVE RULES

TITLE 15

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT,  
AND TOURISM

SUBTITLE 14

HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII

CHAPTER 176

HOMEBUYERS' CLUB PROGRAM

Subchapter 1 General Provisions

- \$15-176-1 Purpose
- \$15-176-2 Definitions

Subchapter 2 Homebuyers' Club Program

- \$15-176-11 Purpose of program
- \$15-176-12 Membership eligibility
- \$15-176-13 Educational seminars
- \$15-176-14 Financial planning and credit counseling
- \$15-176-15 Family or applicant financial statement
- \$15-176-16 Savings program
- \$15-176-17 Integration with other governmental programs
- \$15-176-18 Contractual services
- \$15-176-19 Fees
- \$15-176-20 Funding

**Historical Note:** Chapter 15-176, Hawaii Administrative Rules, is substantially based upon chapter 6-379, Hawaii Administrative Rules. [Eff 11/4/93; am 6/8/98; R **OCT 25 1999** ]

SUBCHAPTER 1

GENERAL PROVISIONS

**§15-176-1 Purpose.** These rules are adopted pursuant to chapter 91, Hawaii Revised Statutes ("HRS"), and implement the provisions of section 201G-351, HRS, providing for the establishment of a "homebuyers' club program". [Eff **OCT 25 1999** ] (Auth: HRS §§201G-4, 201G-351) (Imp: HRS §201G-351)

**§15-176-2 Definitions.** As used in this chapter: "Assets" means total cash, securities, and real and personal property less any outstanding liabilities secured by the assets.

"Corporation" means the housing and community development corporation of Hawaii established under chapter 201G, HRS.

"Gross family income" means the total amount of income of a homebuyers' club member and the member's spouse from all sources before deductions. [Eff **OCT 25 1999** ] (Auth: HRS §§201G-4, 201G-351) (Imp: HRS §201G-351)

SUBCHAPTER 2

HOMEBUYERS' CLUB PROGRAM

**§15-176-11 Purpose of program.** The purpose of this program is to establish a "club" which shall bear the name "Future Homebuyers' Club of Hawaii" that will provide informational services to the inexperienced on the process of purchasing a home; assisting the participants in resolving credit problems; and establishing a savings program for downpayment costs, closing costs, and other related costs in the purchase of a home. [Eff **OCT 25 1999** ] (Auth: HRS §§201G-4, 201G-351) (Imp: HRS §201G-351)

**§15-176-12 Membership eligibility.** Enrollment by application shall be open to any resident of the State of Hawaii who:

- (1) Is at least eighteen years of age;
  - (2) Has a gross family income which is sufficient to qualify for a mortgage loan; and
  - (3) Is unaware of the process and financial constraints or obligations in purchasing a home without assistance of the program.
- [Eff **OCT 25 1999** ] (Auth: HRS §§201G-4, 201G-351) (Imp: HRS §201G-351)

**§15-176-13 Educational seminars.** Subjects covered shall include but shall not be limited to the following:

- (1) Strategies on saving money;
- (2) Identifying availability and use of downpayment savings plan;
- (3) Developing financial plans;
- (4) Budgeting practices;
- (5) Description of available mortgage loans;
- (6) Understanding the process of escrow;
- (7) Understanding land titles; and
- (8) Who to see and what to do when ready to purchase. [Eff **OCT 25 1999** ] (Auth: HRS §§201G-4, 201G-351) (Imp: HRS §201G-351)

**§15-176-14 Financial planning and credit counseling.** (a) Consultant interviews with a counselor or financial planner shall be made available on an individual or family basis to provide credit analysis, projections, and suggestions.

(b) A maximum of one hour per month per applicant family shall be made available. Consumer credit counseling to resolve negative credit history will be made available by appointment. [Eff **OCT 25 1999** ] (Auth: HRS §§201G-4, 201G-351) (Imp: HRS §201G-351)

**§15-176-15 Family or applicant financial statement.** (a) Prior to receiving counseling, the applicant shall submit an updated financial statement.

(b) The financial statement shall include a listing of asset income, expenses, and a budget plan. [Eff **OCT 25 1999** ] (Auth: HRS §§201G-4, 201G-351) (Imp: HRS §201G-351)

**§15-176-16 Savings program.** There shall be available, at the option of the participant, a program to instill a savings incentive by providing a sound budgetary plan. The program shall be strictly optional and shall be established with a financial savings institution. [Eff **OCT 25 1999**] (Auth: HRS §§201G-4, 201G-351) (Imp: HRS §201G-351)

**§15-176-17 Integration with other governmental programs.** Wherever possible, the program shall be integrated with other governmental programs, including, but not limited to:

- (1) The state mortgage guarantee program established under section 201G-311, HRS;
- (2) The downpayment loan program, established under section 201G-321, HRS;
- (3) The rent-to-own program, established under section 201G-361; and
- (4) Any other program designed to assist the participants of this program.

[Eff **OCT 25 1999**] (Auth: HRS §§201G-4, 201G-351) (Imp: HRS §201G-351)

**§15-176-18 Contractual services.** The corporation may secure the services of another public or private entity to carry out the purposes of this program. [Eff **OCT 25 1999**] (Auth: HRS §§201G-4, 201G-351) (Imp: HRS §201G-351)

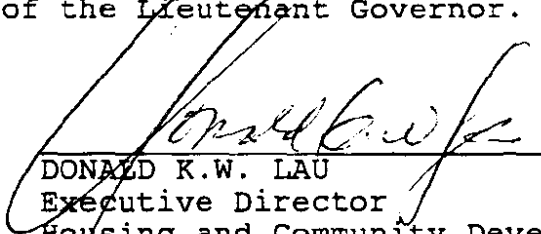
**§15-176-19 Fees.** Fees, material costs, and out-of-pocket expenses shall be levied against the participant prior to dispensing said material or service. [Eff **OCT 25 1999**] (Auth: HRS §§201G-4, 201G-351) (Imp: HRS §201G-351)

**§15-176-20 Funding.** This program may be made available pending availability of funds. [Eff **OCT 25 1999**] (Auth: HRS §§201G-4, 201G-351) (Imp: HRS §201G-351)

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT,  
AND TOURISM

The repeal of chapter 6-379 and the adoption of chapter 15-176, Hawaii Administrative Rules, on the Summary Page dated August 27, 1999, was adopted on August 27, 1999, following public hearings held on Maui on July 15, 1999, Hilo on July 16, 1999, Oahu on July 19, 1999, and Kauai on July 20, 1999, after public notice was given in the Midweek newspaper on June 7, 1999.

The repeal and adoption shall take effect ten days after filing with the Office of the Lieutenant Governor.



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Dated: 10-14-99

OCT 15 1999

Filed

LIEUTENANT GOVERNOR'S  
OFFICE

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