URGING THE PRESIDENT OF THE UNITED STATES AND THE UNITED STATES CONGRESS TO MITIGATE THE DISPROPORTIONATE ADVERSE EFFECTS OF THE TAX CUTS AND JOBS ACT OF 2017 ON HAWAII CITIZENS BY INCREASING FEDERAL SUPPORT OF HAWAII HOUSING INITIATIVES.

WHEREAS, Hawaii's cost of living is the highest in the nation; and

WHEREAS, utility costs in Hawaii are 106.5 percent higher than the national average; and

WHEREAS, housing costs in Hawaii are 103.3 percent higher than the national average; and

WHEREAS, the national median price of a single-family home is currently $241,700, while the median price in Hawaii is currently $772,000; and

WHEREAS, experts estimate that Hawaii faces a shortage of sixty-five thousand housing units, illustrating the depth of the State's housing crisis; and

WHEREAS, the median age of a single-family home in Hawaii is between thirty to thirty-nine years old, which is disproportionately older than the median age in other states; and

WHEREAS, the older age of Hawaii homes means homeowners must often invest considerable amounts for repairs and upgrades; and

WHEREAS, the Tax Cuts and Jobs Act of 2017 reduces the debt amount eligible for the mortgage interest deduction from $1,000,000 to only $750,000, and eliminates the tax deduction for interest on home equity loans if the loan proceeds are used for purposes unrelated to the taxpayer's home; and
WHEREAS, many tax credits that benefit persons with lower incomes will sunset in 2027, creating a more regressive tax system with higher tax liabilities for those who can afford it least; and

WHEREAS, the changes created by the Tax Cuts and Jobs Act of 2017 will affect a disproportionately high percentage of Hawaii residents compared to other states because of Hawaii's unique physical and economic environment; and

WHEREAS, Hawaii currently ranks as one of the states that is least dependent on federal aid, with federal assistance comprising only 22.8 percent of general revenues; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-ninth Legislature of the State of Hawaii, Regular Session of 2018, that the President of the United States and the United States Congress are urged to mitigate the high, disproportionately adverse impacts of the Tax Cuts and Jobs Act of 2017 on Hawaii citizens by increasing federal funding of Hawaii housing initiatives; and

BE IT FURTHER RESOLVED that the President of the United States and the United States Congress are urged to request the United States Department of Housing and Urban Development to increase funding levels to Hawaii programs, regardless of potential budget cuts to that department in pending federal appropriations bills; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the President of the United States, Vice President of the United States, Majority Leader of the United States Senate, Speaker of the United States House of Representatives, members of Hawaii's congressional delegation, United States Secretary of Housing and Urban Development, Governor, Director of Human Services, and Executive Director of the Hawaii Public Housing Authority.