

Honolulu, Hawaii

February 6, 2018

RE: H.B. No. 1866  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Twenty-Ninth State Legislature  
Regular Session of 2018  
State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B. No. 1866 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose of this measure is to address Hawaii's housing crisis by requiring the prioritization of infrastructure funding to support planned growth, providing a process for approval of land use boundary amendments consistent with county plans to permit housing development, and establishing a streamlined approval process for housing developments that include below market-rate units.

The Chamber of Commerce Hawaii and Building Industry Association of Hawaii supported this measure. The Department of Planning and Permitting for the City and County of Honolulu and Office of Hawaiian Affairs opposed this measure. The Hawaii Housing Finance and Development Corporation opposed Part III of this measure. The Office of Planning and Land Use Commission offered comments on this measure.

Your Committee finds that it is in the State's interest to facilitate the development of more housing to meet demand.



Testifiers discussed whether the use of a streamlined process would actually result in more and faster housing development. While testifiers from the building and development industries expressed support for the process, some government agencies expressed concern that a streamlined process would be problematic and may result in delayed development. Your Committee notes that a consolidated process for county and state approvals may be one option to expedite the housing approval process.

Accordingly, your Committee has amended the measure by:

- (1) Removing language establishing a streamlined process for approval of housing projects;
- (2) Encouraging, rather than requiring, that infrastructure development be prioritized as part of planned growth;
- (3) Specifying that the Hawaii Housing Finance and Development Corporation is the entity to approve the quantitative annual housing production goals for county land use plans;
- (4) Clarifying the income categories for the housing production goals;
- (5) Changing the effective date to January 1, 2050, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1866, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1866, H.D. 1, and be referred to your Committee on Water & Land.



Respectfully submitted on  
behalf of the members of the  
Committee on Housing,



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TOM BROWER, Chair



State of Hawaii  
House of Representatives  
The Twenty-ninth Legislature

HSCR 108-18

**Record of Votes of the Committee on Housing**

|  |   |                         |             |                |
|--|---|-------------------------|-------------|----------------|
| Bill/Resolution No.:<br><b>HB 1866</b>   | Committee Referral:<br><b>HSG, WAL, FIN</b> | Date:<br><b>1/30/18</b> |             |                |
| <input type="checkbox"/> The committee is reconsidering its previous decision on the measure.  |   |                         |             |                |
| The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="checked" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold<br><input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit) |   |                         |             |                |
| <b>HSG Members</b>   | <b>Ayes</b>                                 | <b>Ayes (WR)</b>        | <b>Nays</b> | <b>Excused</b> |
| <b>1. BROWER, Tom (C)</b>  | ✓   |                         |             |                |
| <b>2. NAKAMURA, Nadine K. (VC)</b>   |   | ✓                       |             |                |
| <b>3. AQUINO, Henry J.C.</b>   | ✓   |                         |             |                |
| <b>4. HASHEM, Mark J.</b>  |   |                         |             | ✓              |
| <b>5. QUINLAN, Sean</b>  | ✓   |                         |             |                |
| <b>6. SAN BUENAVENTURA, Joy A.</b>   |   |                         | ✓           |                |
| <b>7. MCDERMOTT, Bob</b>   | ✓   |                         |             |                |
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| <b>TOTAL (7)</b>   | <b>4</b>                                    | <b>1</b>                | <b>1</b>    | <b>1</b>       |
| The recommendation is: <input checked="checked" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted<br>If joint referral, _____ did not support recommendation.<br><div style="text-align: center; font-size: 0.8em; margin-left: 20%;">committee acronym(s)</div>            |   |                         |             |                |
| Vice Chair's or designee's signature:  |   |                         |             |                |
| <b>Distribution:</b> Original (White) – Committee    Duplicate (Yellow) – Chief Clerk's Office    Duplicate (Pink) – HMSO  |   |                         |             |                |