

STAND. COM. REP. NO.

2849

Honolulu, Hawaii

MAR 02 2018

RE: S.B. No. 2416
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2416, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE CONVEYANCE TAX,"

begs leave to report as follows:

The purpose and intent of this measure is to makes certain statutory amendments relating to the conveyance tax.

More specifically, the measure:

- (1) Increases the conveyance tax rates for certain high-value properties; and
- (2) Repeals the statutory monetary cap on the amount of conveyance tax moneys paid into the rental housing revolving fund for the financing of affordable rental housing developments.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs, Catholic Charities Hawaii, Hawaii Appleseed Center for Law & Economic Justice, IMUAlliance, and Partners in Care.

Your Committee received written comments in opposition to this measure from the Hawaii Association of REALTORS and Land Use Research Foundation of Hawaii.

SB2416 SD2 SSCR LRB 18-1754.doc



Your Committee received written comments on this measure from the Department of Taxation, Hawaii Housing Finance Development Corporation, General Contractors Association of Hawaii, and Tax Foundation of Hawaii.

Your Committee finds that this measure facilitates the availability of additional moneys for affordable rental housing finance and development in the State.

Your Committee has amended this measure by:

- (1) Inserting language that exempts affordable housing from the conveyance tax pursuant to rules to be adopted by the Director of Taxation; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2416, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2416, S.D. 2.


Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 2416, SDI	Committee Referral: HOU, WAM	Date: 2/28/18		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani	X			
GALUTERIA, Brickwood	X			
HARIMOTO, Breene	X			
INOUYE, Lorraine R.	X			
KAHELE, Kaiali'i	X			
KIDANI, Michelle N.	X			
RIVIERE, Gil	X			
SHIMABUKURO, Maile S.L.	X			
WAKAI, Glenn	X			
TOTAL	11			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes