

Honolulu, Hawaii

FEB 04 2019

RE: S.B. No. 891

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committees on Housing and Education, to which was referred S.B. No. 891 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING DEVELOPMENT,"

beg leave to report as follows:

The purpose and intent of this measure is to exempt Hawaii Housing Finance and Development Corporation housing projects approved for a general excise tax exemption, additions to existing dwelling units, accessory dwelling units, ohana dwelling units, and affordable housing projects developed by the Hawaii Public Housing Authority from school impact fee requirements.

Your Committees received testimony in support of this measure from the Hawaii Public Housing Authority, Hawaiian Community Assets, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawaiian Community Development, Hawaii Habitat for Humanity Association, and one individual. Your Committees received testimony in opposition to this measure from the Chamber of Commerce Hawaii, Building Industry Association of Hawaii, and two individuals. Your Committees received comments on this measure from the Department of Education and Tax Foundation of Hawaii.

Your Committees find that there is a severe lack of affordable housing in the State, especially for those most vulnerable to the high costs of living. The Hawaii Public Housing Authority has identified fourteen redevelopment projects along the



rail line for development through public-private partnerships and is in the midst of executing those projects, some of which would be subject to school impact fees. According to testimony received by your Committees, for two out of the three redevelopment projects currently being undertaken by the Hawaii Public Housing Authority, the school impact fees would be approximately \$26,300,000. The school impact fees would increase the total cost of the redevelopment and ultimately the developer fee for affordable housing. Therefore, your Committees find that lowering the cost of construction for new affordable housing units, accessory and ohana dwelling units, and alteration or expansion of existing dwelling units by exempting those units from school impact fees is a vital component in addressing the shortage of housing in Hawaii.

As affirmed by the records of votes of the members of your Committees on Housing and Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 891 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Housing and
Education,



MICHELLE N. KIDANI, Chair

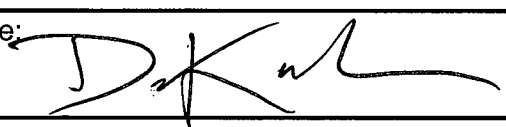


STANLEY CHANG, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

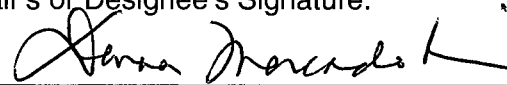
Record of Votes
Committee on Housing
HOU

Bill / Resolution No.:* SB 891	Committee Referral: HOU/EDU, WAM	Date: 1/29/2019		
<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 checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
CHANG, Stanley (C)	✓			
KANUHA, Dru Mamo (VC)	✓			
MORIWAKI, Sharon Y.		✓		
THIELEN, Laura H.	✓			
FEVELLA, Kurt	✓			
TOTAL	4	1	0	0
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

The Senate
 Thirtieth Legislature
 State of Hawai'i

Record of Votes
Committee on Education
EDU

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 891	HOU/EDU, WAM	01/29/19		
<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 checked="" type="checkbox"/> Pass, unamended 2312	<input type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KIDANI, Michelle N. (C)	✓			
KIM, Donna Mercado (VC)	✓			
DELA CRUZ, Donovan M.	✓			
KANUHA, Dru Mamo	✓			
FEVELLA, Kurt	✓			
TOTAL	5			
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