

STAND. COM. REP. NO.

685

Honolulu, Hawaii

MAR 03 2017

RE: S.B. No. 1105  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Ninth State Legislature  
Regular Session of 2017  
State of Hawaii

Sir:

Your Committees on Judiciary and Labor and Ways and Means, to which was referred S.B. No. 1105, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Expand the types of rental housing projects that can be exempt from general excise taxes; and
- (2) Allow the terms of collective bargaining agreements and associated provisions to be deemed the prevailing wages and terms serving as the basis of compliance with chapter 104, Hawaii Revised Statutes, for the construction of certain rental housing projects.

Your Committees received testimony in support of this measure from the Department of Labor and Industrial Relations, Hawaii Housing Finance and Development Corporation, Hawai'i Construction Alliance, Hawaii Rental Housing Coalition, and one individual. Your Committees received comments on this measure from the Department of Taxation, Tax Foundation of Hawaii, Hawaii Community Development Authority, and General Contractors Association of Hawaii.



Your Committees find that the State is experiencing a critical shortage of affordable housing. Your Committees further find that private sector construction and development entities have taken steps to improve the economics of building and operating rental housing in Hawaii. This measure supports private development entities that provide affordable housing units by expanding the types of projects that may be exempt from general excise taxes.

Your Committees have amended this measure by:

- (1) Clarifying that the amendments to section 104-2(h), Hawaii Revised Statutes, apply to housing projects and not all public works projects;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1105, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 1105, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committees on Judiciary and  
Labor and Ways and Means,



JILL N. TOKUDA, Chair



GILBERT S.C. KEITH-AGARAN, Chair



The Senate  
Twenty-Ninth Legislature  
State of Hawai'i

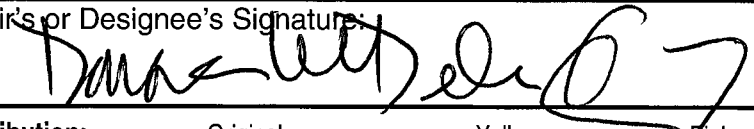
**Record of Votes**  
**Committee on Judiciary and Labor**  
**JDL**

Bill / Resolution No.:* <b>SB1105, SD1</b>	Committee Referral: <b>HOU, JDL/WAM</b>	Date: <b>2/28/17</b>		
<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
KEITH-AGARAN, Gilbert S.C. (C)	✓			
RHOADS, Karl (VC)	✓			
GABBARD, Mike				✓
KIM, Donna Mercado				✓
THIELEN, Laura H.		✓		
<b>TOTAL</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>2</b>
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Karl Rhoads</i>				
<b>Distribution:</b> 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  
 Twenty-Ninth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:* <i>SB 1105, SD1</i>	Committee Referral: <i>HOU, SOL/WAM</i>	Date: <i>8/28/17</i>		
<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
TOKUDA, Jill N. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
ENGLISH, J. Kalani	/			
GALUTERIA, Brickwood	/			
HARIMOTO, Breene	/			
INOUE, Lorraine R.				/
KAHELE, Kaiali'i	/			
RIVIERE, Gil	/			
SHIMABUKURO, Maile S.L.	/			
TANIGUCHI, Brian T.	/			
WAKAI, Glenn				/
<b>TOTAL</b>	<b>9</b>			<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

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