

STAND. COM. REP. NO.

2407

Honolulu, Hawaii

FEB 07 2020

RE: S.B. No. 2625
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Housing, to which was referred S.B.
No. 2625 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose and intent of this measure is to encourage homeownership among low- and moderate-income households by establishing an Affordable Homeownership Revolving Fund within the Hawaii Housing Finance and Development Corporation which provides loans to nonprofit housing development organizations, and community development financial institutions for the development of affordable homeownership housing projects. Makes an appropriation into and out of the Affordable Homeownership Revolving Fund.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation; Catholic Charities Hawai'i; Partners in Care; Hawaii Habitat for Humanity Association, Inc.; Hawai'i Community Lending, Inc.; Hawaiian Community Assets, Inc.; Hawaii Island HIV/AIDS Foundation; Kona Alano Club; Hawai'i Island Housing Coalition; Community Alliance Partners; Hawai'i Alliance for Community-Based Economic Development; Imua Alliance; Neighborhood Place of Puna; and three individuals. Your Committee received comments on this measure from Department of Budget and Finance.




Your Committee finds that homeownership is positively correlated with economic and social stability in low- and moderate-income households. However, in the last fifty years, the number of full time Hawaii residents who own homes has steadily declined. Currently, Hawaii has the third lowest homeownership rate of any state in the nation. Your Committee further finds that the self-help housing model is a cost-effective means of assisting low-income families who would otherwise not have a homeownership opportunity. Your Committee further finds that while there are funds available from the United States Department of Housing and Urban Development and the United States Department of Agriculture's Rural Development program, additional non-federal matching funding is needed. This measure would help provide that additional funding.

Your Committee finds that the Hawaii Housing Finance and Development Corporation testified that the limited funds available to it would be best spent to develop housing rather than capacity building of nonprofit housing developers. Accordingly, your Committee has amended this measure by deleting references to "capacity building of nonprofit housing developers" and deleting references to "nonprofit housing trust programs".

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 S.B. No. 2625, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2625, S.D. 1, and be referred to your Committee on Ways and Means.

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


STANLEY CHANG, Chair



