

STAND. COM. REP. NO.

2881

Honolulu, Hawaii

FEB 14 2020

RE: S.B. No. 3062
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. 3062 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 help alleviate the affordable housing crises in the State by increasing the cap on monies to be paid into the rental housing revolving fund from conveyance tax revenues.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Imua Alliance, EAH Housing, Faith Action for Community Equity, and two individuals. Your Committee received comments on this measure from Tax Foundation of Hawaii and Catholic Charities Hawaii.

Your Committee finds that the rental housing revolving fund, which provides low-interest loans or grants to qualified owners and developers constructing affordable housing units, can help to fulfill housing needs in Hawaii. The rental housing revolving fund is funded annually, in part, by the state conveyance tax; however, the funding from conveyance taxes is capped at \$38,000,000 per year. Your Committee finds that if there were no cap, the rental housing revolving fund would have had \$26,550,000 additional funds combined over the last three years. Therefore,



this measure increases the statutory cap to increase the funding in the rental housing revolving fund.

Your Committee recognizes the testimony from the Hawaii Housing Finance and Development Corporation, who requested that the statutory cap be lifted entirely. The Hawaii Housing Finance and Development Corporation testified that it would be able to use all of the additional funds generated by lifting the cap.

Accordingly, your Committee has amended this measure by removing the statutory cap instead of merely raising it.

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. 3062, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3062, S.D. 1, and be referred to your Committee on Ways and Means.

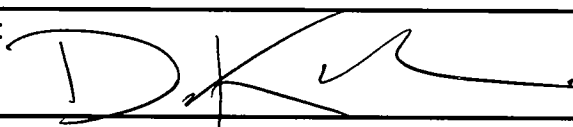
Respectfully submitted on
behalf of the members of the
Committee on Housing,


STANLEY CHANG, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Housing
HOU

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 3062	HOU, WAM	2-13-20		
<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
CHANG, Stanley (C)	✓			
KANUHA, Dru Mamo (VC)	✓			
MORIWAKI, Sharon Y.	✓			
THIELEN, Laura H.	✓			
FEVELLA, Kurt				✓
TOTAL	4			1
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