

STAND. COM. REP. NO.

439

Honolulu, Hawaii

, 2023

FEB 15

RE: H.B. No. 923

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B. No. 923
entitled:

"A BILL FOR AN ACT RELATING TO BONDS,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require counties with a private activity bond issuance program to exhaust their allotment before applying to the State for the state allocation;
- (2) Require the State, if it receives a county allocation, to award the same amount to a project or projects in that county before awarding to projects in other counties;
- (3) Require a project to first apply to the county in which the project is located, if the county has a private activity bond issuance program before applying to the State; and
- (4) Require the Department of Budget and Finance to indicate to the Hawaii Housing Finance and Development Corporation any county amount of unused or unassigned allocation.

2023-1586 HB923 HD1 HSCR HMSO



Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation. Your Committee received comments on this measure from the Department of Budget and Finance and Highridge Costa Development Company.

Your Committee finds that counties who have elected to retain their bond ceiling should be allocating bond ceiling to qualified projects in their respective counties before seeking private activity bonds from the State's allocation. Similarly, your Committee believes that if a county decides to return its private activity bonds allocation to the State, that allocation should be applied to projects located in that county. This measure will help ensure fairness and equity in the allocation of private activity bonds, which is the most limited resource in terms of multi-family rental housing financing.

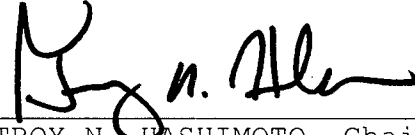
Your Committee has amended this measure by:

- (1) Requiring the Director of Finance of each county to report the county's unused allocation to the Hawaii Housing Finance and Development Corporation, in addition to the Department of Budget and Finance, in writing by November 15 of each year;
- (2) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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 H.B. No. 923, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 923, H.D. 1, and be referred to your Committee on Finance.



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



TROY N. HASHIMOTO, Chair



