

Honolulu, Hawaii

**MAR 20 2024**

RE: H.B. No. 1761  
H.D. 1  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B. No. 1761, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Authorize the Hawaii Housing Finance and Development Corporation to issue bonds for housing project infrastructure and finance the development of regional state infrastructure projects;
- (2) Exempt bonds issued by the Hawaii Housing Finance and Development Corporation for improvements by assessments, and the interest thereon, from certain taxes, with exceptions;
- (3) Include proceeds from bonds issued for regional state infrastructure projects as a source of revenue for regional state infrastructure subaccounts; and
- (4) Authorize regional state infrastructure subaccount revenues to be used to repay regional state infrastructure project bond holders.



Your Committee received testimony in support of this measure from the Department of Hawaiian Home Lands, Hawaii Housing Finance and Development Corporation, Hawai'i Community Development Authority, Office of Planning and Sustainable Development, NAIOP Hawaii, Partners in Care, and two individuals.

Your Committee finds that the State is currently in the middle of a housing shortage. The development of additional housing inventory often comes hand-in-hand with the need to update aging infrastructure to accommodate the new units. The cost of updating this infrastructure often falls on the shoulders of the developers seeking to build the housing project, which ultimately leads to the costs being passed down to the residents seeking to purchase these homes or units. Therefore, this measure offers an alternative finance option for regional infrastructure development and improvements in order to lessen this burden.

Your Committee notes that no taxpayer funds would be used in the repayment of the bonds issued by this measure.

Your Committee has amended this measure by:

- (1) Specifying that bonds may be issued in conjunction with the formation of infrastructure improvement districts; and
- (2) Clarifying that assessments from the improvement districts shall be a source of revenue to repay the bonds.

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. 1761, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1761, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.



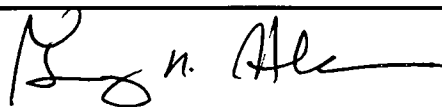
Respectfully submitted on  
behalf of the members of the  
Committee on Housing,

  
STANLEY CHANG, Chair



The Senate  
 Thirty-Second Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Housing**  
**HOU**

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1761 HDI	HOU, WAM	3/12/24		
<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)	✓			
HASHIMOTO, Troy N. (VC)	✓			
AQUINO, Henry J.C.	✓			
KANUHA, Dru Mamo				✓
AWA, Brenton	✓			
<b>TOTAL</b>	4	0	0	1
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				

\*Only one measure per Record of Votes