

STAND. COM. REP. NO.

152

Honolulu, Hawaii

, 2023

FEB 07

RE: H.B. No. 1236

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. 1236 entitled:

"A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Allow a bank to invest, in aggregate, up to two percent of the bank's total assets in limited partnerships, limited liability partnerships, limited liability companies, and corporations formed to invest in affordable housing properties; and
- (2) Require approval from the Commissioner of Financial Institutions to exceed that amount.

Your Committee received testimony in support of this measure from the Maui Chamber of Commerce. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that existing law allows a bank to invest its own assets in limited partnerships, limited liability partnerships, limited liability companies, or corporations formed to invest in residential properties that qualify for low income

2023-1262 HB1236 HD1 HSCR HMSO



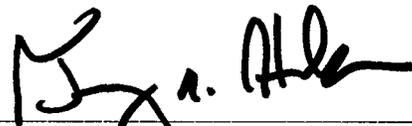
housing tax credit under federal law. This measure will encourage banks to invest into more affordable housing projects, thereby helping with the housing shortage in the State.

Your Committee has amended this measure by:

- (1) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment 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. 1236, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1236, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

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



TROY N. HASHIMOTO, Chair



