

Honolulu, Hawaii FEB 14 , 2025

RE: H.B. No. 1086 H.D. 1

Honorable Nadine K. Nakamura Speaker, House of Representatives Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Madame:

Your Committee on Judiciary & Hawaiian Affairs, to which was referred H.B. No. 1086, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose of this measure is to exempt any development of homestead lots or housing for the Department of Hawaiian Home Lands from general excise and use taxes.

Your Committee received testimony in support of this measure from the Department of Hawaiian Home Lands. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that existing law allows affordable housing projects undertaken by the counties and the Hawaii Housing Finance and Development Corporation to be exempt from the general excise and use taxes. However, there is no similar exemption for housing built by the Department of Hawaiian Home Lands. This measure establishes an exemption from the general excise and use taxes for development of homestead lots by the Department of Hawaiian Home Lands.

As affirmed by the record of votes of the members of your Committee on Judiciary & Hawaiian Affairs that is attached to this

2025-1784 HB1086 HD1 HSCR HMSO



STAND. COM. REP. NO. Page 2

report, your Committee is in accord with the intent and purpose of H.B. No. 1086, H.D. 1, and recommends that it be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Judiciary & Hawaiian Affairs,

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DAVID A. TARNAS, Chair

2025-1784 HB1086 HD1 HSCR HMSO

State of Hawaii House of Representatives The Thirty-third Legislature

HSOR 729

Record of Votes of the Committee on Judiciary & Hawaiian Affairs

Bill/Resolution No.: HB1086 HD1	Committee Referral: HIG, JHA, FIN	Date:	02 11	2025
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
JHA Members	Ayes	Ayes (WR)	Nays	Excused
1. TARNAS, David A. (C)				
2. POEPOE, Mahina (VC)				
3. BELATTI, Della Au				
4. COCHRAN, Elle				
5. HASHEM, Mark J.				
6. KAHALOA, Kirstin				
7. PERRUSO, Amy A.			Tield:	
8. TAKAYAMA, Gregg				
o. TAKATAMA, Gregg				
9. TODD, Chris				
10. GARCIA, Diamond				
11. SHIMIZU, Garner M.				
 TOTAL (11)	a	D	D	2
The recommendation is: X Adop	pted D Not Adopted		<u></u>	
If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				