STAND. COM. REP. NO. 73

Honolulu, Hawaii

FEB 14 , 2025

RE: H.B. No. 1408

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. 1408, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS,"

begs leave to report as follows:

The purpose of this measure is to allow the Department of Hawaiian Home Lands to utilize the Dwelling Unit Revolving Fund as collateral when the Department acts as an eligible borrower for a loan agreement under section 184A of the federal Housing and Community Development Act of 1992, as amended.

Your Committee received testimony in support of this measure from the Department of Hawaiian Home Lands and Hawaii Housing Finance and Development Corporation.

Your Committee finds that Congress established the Section 184A Native Hawaiian Housing Loan Guarantee Program in 2000 in order to provide access to sources of private financing on Hawaiian home lands. Under that program, the Department of Hawaiian Home Lands is an eligible borrower and can use these funds to develop rental housing or to build single-family homes. Once the housing is developed, the native Hawaiian who is eligible to purchase the home can either assume the Section 184A loan or secure other financing to purchase the home.

Your Committee further finds, however, that the Hawaiian Homes Commission Act of 1920, limits what can be utilized as collateral to secure loans made by government agencies or private lending institutions to the Department. This measure authorizes the use of the Dwelling Unit Revolving Fund to allow the Department to secure private funding to develop rental housing or build single-family homes.

Your Committee notes that the Department of Hawaiian Home Lands should provide your Committee on Finance with a legal opinion on if the phrase "notwithstanding the Hawaiian Homes Commission Act of 1920, as amended", should be retained in this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1408, 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,

DAVID A. TARNAS, Chair

State of Hawaii House of Representatives The Thirty-third Legislature

HSCR 731

Record of Votes of the Committee on Judiciary & Hawaiian Affairs

Bill/Resolution No.:	Committee Referral:	Date:	_ 1	
HB 1408 HD1	HUG, JHA, FIN		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)				
		are de la companya de		
2. POEPOE, Mahina (VC)			NGGOOD EVENTAL KEN	
3. BELATTI, Della Au				
		Antonia (n. 1.		
4. COCHRAN, Elle			32301 <u>22301 </u>	
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5. HASHEM, Mark J.			21. 5300	
6. KAHALOA, Kirstin				
	Part Co. Co.			
7. PERRUSO, Amy A.	\			
			47,00	
8. TAKAYAMA, Gregg			25.46	Programme State of the Control of th
			100 mg/s	
9. TODD, Chris			Taraca June 2	
10. GARCIA, Diamond				
10. GARCIA, Diamond				
11. SHIMIZU, Garner M.				
TOTAL (11)	9	0	0	2
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
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