

STAND. COM. REP. NO.

490

Honolulu, Hawaii

FEB 12 , 2025

RE: H.B. No. 432  
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 Housing, to which was referred H.B. No. 432  
entitled:

"A BILL FOR AN ACT RELATING TO THE RENTAL HOUSING REVOLVING  
FUND,"

begs leave to report as follows:

The purpose of this measure is to provide a dedicated source  
of funds to finance mixed-income rental housing projects.

Your Committee received testimony in support of this measure  
from the Hawaii Housing Finance and Development Corporation;  
Office of Housing of the City and County of Honolulu; Chamber of  
Commerce Hawaii; Holomua Collaborative; Hawaii Appleseed Center  
for Law & Economic Justice; Hawai'i YIMBY; Michaels Development;  
Hawai'i Community Foundation; Title Guaranty of Hawai'i; HPM  
Building Supply; Hawai'i Gas; Mana Up; and Tori Richard, Ltd. Your  
Committee received comments on this measure from the Department of  
Budget and Finance and LIMBY Hawai'i.

Your Committee finds that while the Rental Housing Revolving  
Fund has two priority funding groups, limited funding dedicates  
most of the funds to projects or units for households with income  
at or below sixty percent of the area median income. Your  
Committee further finds that private development of rental housing  
for households earning between sixty percent and one hundred forty

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percent of the area median income remains financially unfeasible without additional public support. This measure establishes a dedicated funding source to address the gap, ensuring mixed-income rental housing projects can move forward and help local working families remain in the State.

Your Committee has amended this measure by:

- (1) Defining "perpetual" as the life of the project;
- (2) Changing the appropriation to an unspecified amount and changing the amount of funds the Director of Finance may transfer into the Rental Housing Revolving Fund Mixed-Income Subaccount to an unspecified amount;
- (3) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests your Committee on Finance, should it deliberate on this measure, to consider an appropriation amount of \$75,000,000 into and out of the Mixed-Income Subaccount of the Rental Housing Revolving Fund.

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. 432, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 432, H.D. 1, and be referred to your Committee on Finance.

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

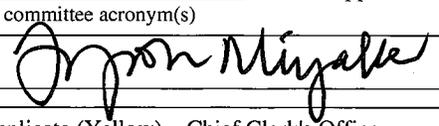


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LUKE A. EVSLIN, Chair



**Record of Votes of the Committee on Housing**

<b>Bill/Resolution No.:</b> HB 432	<b>Committee Referral:</b> HSG, FIN	<b>Date:</b> 2/7/25		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HSG Members	Ayes	Ayes (WR)	Nays	Excused
1. EVSLIN, Luke A. (C)	✓			
2. MIYAKE, Tyson K. (VC)	✓			
3. COCHRAN, Elle				✓
4. GRANDINETTI, Tina Nakada	✓			
5. KILA, Darius K.				✓
6. KITAGAWA, Lisa	✓			
7. LA CHICA, Trish	✓			
8. MURAOKA, Christopher L.	✓			
9. PIERICK, Elijah			✓	
<b>TOTAL (9)</b>	6	0	1	2
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
<b>Vice Chair's or designee's signature:</b> _____ 				
<b>Distribution:</b> Original (White) – Committee    Duplicate (Yellow) – Chief Clerk's Office    Duplicate (Pink) – HMSO				