

STAND. COM. REP. NO.

451

Honolulu, Hawaii

FEB 13 2025

RE: S.B. No. 1405  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Sir:

Your Committees on Hawaiian Affairs and Housing, to which was referred S.B. No. 1405 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

beg leave to report as follows:

The purpose and intent 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 Committees received testimony in support of this measure from the Department of Hawaiian Home Lands; Dowling Company, Inc.; and one individual.

Your Committees received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committees find that the Department of Hawaiian Home Lands currently has several development projects that are either underway or in the pipeline for construction, and that the general excise tax exemption established by this measure could produce cost savings for the Department that could be used to develop more homestead lots. This measure will ensure that amounts received related to planning, design, financing, or construction activities conducted for a new construction, moderate rehabilitation, or substantial rehabilitation project for homestead lots or housing for the Department of Hawaiian Home Lands are exempt from general



tax so that the Department of Homelands can fund their many projects.

Your Committees have amended this measure by:

- (1) Requiring the Department of Hawaiian Home Lands to submit annual reports to the Legislature detailing cost savings, reinvestments, and housing production increases resulting from the tax exemption for five years; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1405, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1405, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committees on Hawaiian Affairs  
and Housing,

  
STANLEY CHANG, Chair

  
HERBERT RICHARDS, Chair



The Senate  
Thirty-Third Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Hawaiian Affairs**  
**HWN**

Bill / Resolution No.:* <b>SB 1405</b>	Committee Referral: <b>HWN/HOU, WAM</b>	Date: <b>2/4/2025</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312         </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311         </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310         </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313         </div> </div>				
<b>Members</b>	<b>Aye</b>	<b>Aye (WR)</b>	<b>Nay</b>	<b>Excused</b>
RICHARDS, III, Herbert M. "Tim" (C)	/			
SAN BUENAVENTURA, Joy A. (VC)	/			
IHARA, Jr., Les				/
KEOHOKAOLE, Jarrett	/			
DECORTE, Samantha	/			
<b>TOTAL</b>	<b>4</b>			<b>1</b>
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <input checked="" type="checkbox"/> Adopted         <input type="checkbox"/> Not Adopted         </div>				
Chair's or Designee's Signature: 				
<div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: left;"> <b>Distribution:</b>            Original            File with Committee Report         </div> <div style="text-align: center;">           Yellow            Clerk's Office         </div> <div style="text-align: center;">           Pink            Drafting Agency         </div> <div style="text-align: center;">           Goldenrod            Committee File Copy         </div> </div>				

**\*Only one measure per Record of Votes**

The Senate  
Thirty-Third Legislature  
State of Hawai'i

**Record of Votes  
Committee on Housing  
HOU**

Bill / Resolution No.:* <b>SB1405</b>	Committee Referral: <b>HWN/HOU, WAM</b>	Date: <b>2/4/25</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"><input type="checkbox"/> Pass, unamended 2312</div> <div style="text-align: center;"><input checked="" type="checkbox"/> Pass, with amendments 2311</div> <div style="text-align: center;"><input type="checkbox"/> Hold 2310</div> <div style="text-align: center;"><input type="checkbox"/> Recommit 2313</div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
CHANG, Stanley (C)	/			
HASHIMOTO, Troy N. (VC)	/			
AQUINO, Henry J.C.				/
KANUHA, Dru Mamo	/			
FEVELLA, Kurt	/			
<b>TOTAL</b>	<b>4</b>	<b>2</b>	<b>0</b>	<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
<div style="display: flex; justify-content: space-between; font-size: small;"> <div>Distribution: Original File with Committee Report</div> <div>Yellow Clerk's Office</div> <div>Pink Drafting Agency</div> <div>Goldenrod Committee File Copy</div> </div>				

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