

STAND. COM. REP. NO.

626

Honolulu, Hawaii

FEB 16 2007

RE: S.B. No. 1917
S.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Economic Development and Taxation, to which
was referred S.B. No. 1917, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose of this measure is to expand housing
opportunities for Hawaii residents by:

- (1) Extending the sunset date for the allocation of
conveyance tax revenues to the Rental Housing Trust
Fund;
- (2) Requiring the Hawaii Housing Finance and Development
Corporation to create an affordable housing inventory
registry; and
- (3) Appropriating funds for various homeless and housing
programs and projects.

Testimony in support of this measure was received from the
Hawaii Housing Finance and Development Corporation, Hawaii Public
Housing Authority, City and County of Honolulu Department of
Community Services, McCully-Moiliili Neighborhood Board #8, Hawaii
Family Forum, Catholic Charities Hawai'i, Partners in Care, Hawaii
Association of REALTORS, and one individual. The Department of
Taxation and the Tax Foundation of Hawaii submitted comments.



Your Committee finds that affordable housing is one of the top public concerns in Hawaii, and the problem is compounded by the spike in land and housing prices in recent years. This measure attempts to address the problem through a combination of direct appropriations and increasing the dedicated source of funding through the conveyance tax.

Your Committee received a revenue impact statement from the Department of Taxation (Department) that the general fund tax revenue would lose \$11,800,000 for fiscal years 2008 and 2009, and the Rental Housing Trust Fund would gain the same amounts. The Department also stated that in fiscal year 2006, conveyance tax collections were \$59,200,000.

Your Committee is strongly supportive of providing financing options for affordable housing, but believes the proposal to again raise the percentage of the conveyance tax earmarked for the Rental Housing Trust Fund merits further legislative deliberations.

Your Committee has amended this measure by making section 6, relating to the conveyance tax transfers, effective July 1, 2020, for purposes of further discussion. Your Committee has also made a technical, nonsubstantive amendment for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Economic Development and Taxation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1917, S.D. 1, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.B. No. 1917, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development and Taxation,


CAROL FUKUNAGA, Chair



The Senate
Twenty-Fourth Legislature
State of Hawaii

Record of Votes
Committee on Economic Development and Taxation
EDT

Bill / Resolution No.:*	Committee Referral:	Date:
<i>SB 1917 SDI</i>	<i>HSP/CPH, EDT, WAM</i>	<i>2/17/05</i>
<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; margin-top: 5px;"> <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313 </div>		
Members	Aye	Aye (WR)
FUKUNAGA, Carol (C)	✓	
ESPERO, Will (VC)	✓	
ENGLISH, J. Kalani		✓
IGE, David Y.	✓	
SLOM, Sam	✓	
TOTAL	<i>4</i>	<i>1</i>
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>		
Chair's or Designee's Signature: <i>Will Espero</i>		
<div style="display: flex; justify-content: space-between;"> Distribution: Original Yellow Pink </div> <div style="display: flex; justify-content: space-between;"> File with Committee Report Clerk's Office Drafting Agency </div>		

*Only one measure per Record of Votes