STAND. COM. REP. NO.

Honolulu, Hawaii April , 2010 RE: S.B. No. 2593 S.D. 1 H.D. 2

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2593, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION,"

begs leave to report as follows:

The purpose of this bill is to ensure that housing projects granted a low- or moderate-income housing general excise tax exemption continue to meet exemption criteria by requiring:

- (1) The Department of Taxation (DOTAX) to conduct periodic reviews of these projects for compliance; and
- (2) The Hawaii Housing Finance and Development Corporation (HHFDC) to establish penalties for noncompliance by rule.

DOTAX opposed this bill. HHFDC, Tax Foundation of Hawaii, and Hawaii Association of REALTORS provided comments.

Your Committee has amended this bill by:

(1) Changing the effective date to July 1, 2020, to encourage further discussion; and



STAND. COM. REP. NO. 89 -10 Page 2

(2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2593, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2593, S.D. 1, H.D. 2.

> Respectfully submitted on behalf of the members of the Committee on Finance,

MARCUS R. OSHIRO, Chair



State of Hawaii House of Representatives The Twenty-fifth Legislature HSCR 1189-10

Record of Votes of the Committee on Finance

Bill/Resolution No.: SB 2593, SDI, HDI	Committee HSG	Referral: 7, FLN	Date: 3/25/10		
□ 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) 					
FIN Members		Ayes	Ayes (WR)	Nays	Excused
1. OSHIRO, Marcus R. (C)		V			
2. LEE, Marilyn B. (VC)					
3. AQUINO, Henry J.C.		~			
4. AWANA, Karen Leinani		1			
5. BROWER, Tom		1			
6. CHOY, Isaac W.		~			
7. COFFMAN, Denny		/			
8. HAR, Sharon E.		~			
9. KEITH-AGARAN, Gilbert S.C.					
10. LEE, Chris		-			
11. NISHIMOTO, Scott Y.		~			
12. SAGUM, Roland D., III		~			
13. TOKIOKA, James Kunane		~			
14. WOOLEY, Jessica		_		_	~
15. YAMASHITA, Kyle T.		~			
16. FINNEGAN, Lynn	a 6 6	1			
17. WARD, Gene					
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	10			20 e	*
TOTAL (17)	-	14	(0	2
The recommendation is: Adopted If joint referral, did not support recommendation.					
Vice Chair's or designee's signature: Marif 3. Low					
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO					