

STAND. COM. REP. NO.

2568

Honolulu, Hawaii

FEB 26 2010

RE: S.B. No. 2593
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B.
No. 2593, S.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 measure is to promote greater
accountability in the granting of general excise tax exemptions
for housing projects.

Specifically, this measure requires the Hawaii Housing
Finance and Development Corporation to conduct periodic reviews of
housing projects that receive general excise tax exemptions to
ensure that the projects continue to meet eligibility requirements
under the exemption. This measure also requires the Hawaii
Housing Finance and Development Corporation to adopt rules
instituting penalties to be imposed on claimants who received or
continue to receive general excise tax exemptions despite being
ineligible.

Your Committee received written comments in opposition to the
measure from the Hawaii Housing Finance and Development
Corporation. The Hawaii Association of Realtors submitted
comments on this measure. The written comments may be reviewed on
the Legislature's website.

Your Committee finds that many affordable housing projects in
the State receive general excise tax exemptions. Your Committee

SB2593 SD1 SSCR LRB 10-1947.doc



also finds that the number of housing projects meeting the exemption criteria and those actually receiving the exemption is unknown. Your Committee believes that, with proper oversight by the Hawaii Housing Finance and Development Corporation, the State will be able to collect all general excise tax revenues owed and ensure that the affordable housing projects receiving tax exemptions are in compliance with requirements to receive or retain the exemption.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2593, S.D. 1, and recommends that it pass Third Reading.

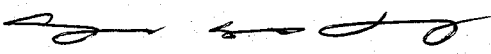
Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONNA MERCADO KIM, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB 2593, SDI</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">EDH, WAM</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">2-24-10</div>		
<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; margin-top: 10px;"> <div><input checked="" type="checkbox"/> Pass, unamended 2312</div> <div><input type="checkbox"/> Pass, with amendments 2311</div> <div><input type="checkbox"/> Hold 2310</div> <div><input type="checkbox"/> Recommit 2313</div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
KIM, Donna Mercado (C)	/			
TSUTSUI, Shan S. (VC)		/		
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
FUKUNAGA, Carol	/			
GALUTERIA, Brickwood	/			
HEE, Clayton	/			
HOOSER, Gary L.	/			
KIDANI, Michelle N.	/			
KOKUBUN, Russell S.	/			
TOKUDA, Jill N.	/			
HEMMINGS, Fred				/
TOTAL	10	1	0	1
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="font-size: 1.2em; font-family: cursive; margin-top: 10px;">  </div>				
Distribution: <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div>Original File with Committee Report</div> <div>Yellow Clerk's Office</div> <div>Pink Drafting Agency</div> <div>Goldenrod Committee File Copy</div> </div>				

*Only one measure per Record of Votes