

Honolulu, Hawaii

FEB 20 2009

RE: S.B. No. 773

S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Education and Housing, to which was
referred S.B. No. 773 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Allocate fifty per cent of conveyance taxes to the rental housing trust fund from June 30, 2008, through June 30, 2013;
- (2) Authorize the issuance of general obligation bonds for the planning, development, and construction of affordable housing;
- (3) Appropriate funds to assist developers in contracting for third party review and certification to expedite the processing and issuance of building permits for affordable housing projects; and
- (4) Appropriate funds for various homeless and housing programs and projects.

Testimony in support of this measure was submitted by two county agencies, eight private organizations, and one individual. Comments were submitted by three state agencies and two private organizations. Written testimony presented to the Committee may be reviewed on the Legislature's website.



Your Committee finds that the American Recovery and Reinvestment Act of 2009 combines tax relief and government spending totaling \$787,000,000,000 to jump start the nation's economy. Hawaii will be eligible to receive a portion of this federal funding through formula grants and competitive applications. Your Committee further finds that the federal funds could supplement the State's continued efforts to assist the homeless, rehabilitate aging public housing stock, and preserve and build affordable housing. Upon further analysis of how the federal "stimulus" funds could be leveraged with state funds, your Committee believes this measure should be amended to incorporate such federal investment.

To the extent possible, it is the hope of this Committee that a process will be created for the Hawaii Housing Finance and Development Corporation, the Hawaii Public Housing Authority, and other agencies or entities at the state and county levels to expend expeditiously any federal funds appropriated through the American Recovery and Reinvestment Act of 2009. As this measure progresses, it is the intent of this Committee that existing rules, regulations, and statutory provisions be reviewed and, if necessary, amended to create a system that effectively and efficiently delivers these funds to the appropriate state or county agency. It is equally important that comparable systems be established to allow government agencies to award these funds to the private sector recipients.

Your Committee has amended this measure by:

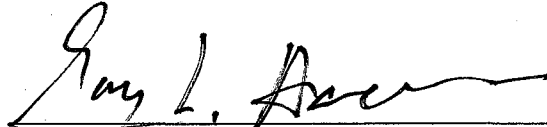
- (1) Amending the findings and purpose section to discuss the American Recovery and Reinvestment Act of 2009 and the funding and benefits Hawaii is projected to receive;
- (2) Making permanent the fifty per cent allocation of conveyance taxes to the rental housing trust fund;
- (3) Amending the effective date to July 1, 2050, for the purpose of encouraging further discussion; and
- (4) Making technical amendments for the purpose of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education and Housing that is attached to this



report, your Committee is in accord with the intent and purpose of S.B. No. 773, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 773, S.D. 1, and be referred to the Committee on Ways and Means.

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


NORMAN SAKAMOTO, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Education and Housing
EDH

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB 773</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;">2-18-09</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 type="checkbox"/> Pass, unamended 2312 </div> <div> <input checked="" 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
SAKAMOTO, Norman (C)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
GALUTERIA, Brickwood	✓			
TSUTSUI, Shan S.				✓
HEMMINGS, Fred			✓	
TOTAL	4	0	1	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: 1.5em; font-family: cursive; margin-left: 100px;">Michelle N. Kidani</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**