STAND. COM. REP. NO. 3064

Honolulu, Hawaii

MAR 2 4 2016

RE: H.B. No. 1958 H.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B. No. 1958, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO A GENERAL EXCISE TAX EXEMPTION FOR LOW INCOME RENTAL SUBSIDIES,"

begs leave to report as follows:

The purpose and intent of this measure is to exempt rental subsidy payments for Section 8 and Housing First programs from the state general excise tax.

Your Committee received testimony in support of this measure from the Coordinator on Homelessness under the Office of the Governor, Department of Human Services, Hawaii Public Housing Authority, Hawaii Association of REALTORS, and one individual. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that housing programs, such as the Section 8 and Housing First programs, that serve the most vulnerable populations are challenged to find landlords and property managers willing to rent units to those individuals and families participating in the programs. For example, it may often take a Section 8 program participant several months to find a landlord willing to accept a voucher, leaving the family without housing and stability. This measure offers a creative way to incentivize landlords to rent to Section 8 program participants and homeless individuals and families by providing an exemption of rental subsidy payments from the state general excise tax.

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As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1958, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

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

BREENE HARIMOTO, Chair

## The Senate Twenty-Eighth Legislature State of Hawai'i

## Record of Votes Committee on Housing HOU

Bill / Resolution No.:*  HB1956, HD1	Committee Referral:			Date: 3/15/16	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
HARIMOTO, Breene (C)					_
GALUTERIA, Brickwood (VC)		V/			·
GREEN, Josh		V/			
IHARA, Jr., Les					
TANIGUCHI, Brian T.		. /	V		
WAKAI, Glenn					
SLOM, Sam					
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TOTAL	_	4	1		2
Recommendation:		<del>                                     </del>	<u> </u>		
Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original File with Committee Report Clark's Office Drafting Agency Committee File Copy					

\*Only one measure per Record of Votes