STAND. COM. REP. NO.

Honolulu, Hawaii

FEB 0 5 2015

RE: S.B. No. 120

S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Madam:

Your Committee on Human Services and Housing, to which was referred S.B. No. 120 entitled:

"A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Authorize the issuance of general obligation bonds and the appropriation of funds for deposit into the rental housing trust fund and the dwelling unit revolving fund to finance affordable rental housing development and infrastructure development;
- (2) Appropriate funds for the construction of micro apartment housing units; and
- (3) Appropriate funds to the Department of Human Services to continue to administer housing first programs for chronically homeless.

Your Committee received testimony in support of this measure from the Department of Human Services, Hawaii Housing Finance and Development Corporation, Chamber of Commerce Hawaii, Catholic Charities Hawaii, Faith Action for Community Equity, Hawaii Association of REALTORS, Hawaii Catholic Conference, Hawaii Primary Care Association, Partners in Care, The CHOW Project, PHOCUSED, Building Industry Association of Hawaii, Hawaii Appleseed Center for Law and Economic Justice, and nine

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individuals. Your Committee received comments on this measure from the Department of Taxation.

Your Committee finds that affordable housing is a serious concern for many Hawaii residents. According to the 2011 Hawaii Housing Planning Study, up to 50,000 new housing units will need to be built by 2016 to meet the new demand generated by changing demographics and economic conditions. Failure to produce sufficient units for low- and moderate-income households will cause pent-up demand in these market segments.

Your Committee has amended this measure by:

- (1) Increasing the amount of general obligation bonds authorized for issuance, the proceeds of which are for deposit into the rental housing trust fund, from \$60,000,000 to \$100,000,000;
- (2) Increasing the amount of funds appropriated out of the rental housing trust fund from \$60,000,000 to \$100,000,000 for the purposes set forth in section 201H-202, Hawaii Revised Statutes; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 120, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 120, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Human Services and Housing,

SUZANNE CHUN OAKLAND, Chair

The Senate Twenty-Eighth Legislature State of Hawai'i

Record of Votes Committee on Human Services and Housing HSH

Bill / Resolution No.:* SB 120	Committee Referral: Date:				
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
CHUN OAKLAND, Suzanne (C)		V			
GREEN, Josh (VC)					
HARIMOTO, Breene		/			
RIVIERE, Gil		<u> </u>			
SLOM, Sam					✓
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TOTAL		3			2
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature: Breene Marie					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

^{*}Only one measure per Record of Votes