STAND. COM. REP. NO. 644-16

Honolulu, Hawaii

April 8 , 2016

RE: S.B.

S.B. No. 2833

S.D. 2 H.D. 2

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2833, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE LOW-INCOME HOUSING TAX CREDIT,"

begs leave to report as follows:

The purpose of this measure is to amend the calculation of the low-income housing tax credit, including the applicable period over which the credit may be claimed from ten to five years and the establishment of different credit amounts for buildings financed by tax-exempt bonds, for the purpose of increasing available funding for affordable rental housing development.

The Building Industry Association of Hawaii; Chamber of Commerce Hawaii; Community Alliance on Prisons; Catholic Charities Hawaii; Hawaii Association of REALTORS; Pacific Resource Partnership; and InState Partners testified in support of this measure. The Hawaii Housing Finance and Development Corporation; Department of Business, Economic Development and Tourism; Department of Taxation; and Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

(1) Changing the claimable amounts of the low-income housing tax credit based on the new calculation methodology set

SB2833 HD2 HSCR FIN HMS 2016-3070

STAND. COM. REP. NO. 644-16
Page 2

by this measure to unspecified amounts for a period of up to 10 years;

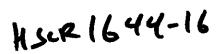
- (2) Changing its effective date to January 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive changes for clarity, consistency, and style.

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. 2833, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2833, S.D. 2, H.D. 2.

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

SYLVIA LUKE, Chair

## State of Hawaii House of Representatives The Twenty-eighth Legislature



## Record of Votes of the Committee on Finance

Bill/Resolution No.:	Committee Referral:	Date:	Date:		
SB2833 SD2 HD1	HSG, FIN	03/30/16			
☐ 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. LUKE, Sylvia (C)					
2. NISHIMOTO, Scott Y. (VC)					
3. CACHOLA, Romy M.					
4. CULLEN, Ty J.K.					
5. DeCOITE, Lynn					
6. JOHANSON, Aaron Ling					
7. JORDAN, Jo					
8. KEOHOKALOLE, Jarrett					
9. KOBAYASHI, Bertrand					
10. LoPRESTI, Matthew S.					
11. LOWEN, Nicole E.					
12. ONISHI, Richard H.K.					
13. TOKIOKA, James Kunane					
14. YAMASHITA, Kyle T.					
15. POUHA, Feki					
16. WARD, Gene					
TOTAL (16)	- [6				
The recommendation is:  Adopted  Not Adopted  did not support recommendation.  committee acronym(s)					
Vice Chair's or designee's signature:					
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO					
2-product (1 min) - more Clerk's Office (1 min) - more clerk's Off					