STAND. COM. REP. NO. 667

Honolulu, Hawaii February 11, 2017

RE: H.B. No. 487 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B. No. 487 entitled:

"A BILL FOR AN ACT RELATING TO THE CONVEYANCE TAX,"

begs leave to report as follows:

The purpose of this measure is to remove the dollar amount cap on conveyance tax proceeds that are paid into the Rental Housing Revolving Fund.

The Hawaii Association of Realtors testified in support of this measure. A concerned individual testified in opposition to this measure. The Hawaii Housing Finance and Development Corporation, Department of Budget and Finance, The Chamber of Commerce Hawaii, Building Industry Association of Hawaii, and Tax Foundation of Hawaii provided comments.

Your Committee notes the concerns raised by the Tax Foundation of Hawaii that continual earmarking of funds for various programs and purposes allows the expenses from these funds to avoid legislative scrutiny, thus making it difficult to determine whether a fund is over- or under-funded. Consequently, the effectiveness of programs funded becomes harder to ascertain.



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Your Committee has amended this measure by changing its effective date to take effect upon a date to be determined to facilitate further discussion.

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. 487, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 487, H.D. 1, and be referred to your Committee on Finance.

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

TOM BROWER, Chair



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

HSCR 667

**Record of Votes of the Committee on Housing** 

Bill/Resolution No.: HB 487	Committee Referral: HSG, FJN	Date:	2/16/1	17
$\theta$ The committee is reconsidering its prev				
Ъ.	unamended (as is) Pass short form bill with HD to record	s, with amendments ( mmit for future public		
HSG Members	Ayes	Ayes (WR)	Nays	Excused
1. BROWER, Tom (C)				
2. NAKAMURA, Nadine K. (VC)				
3. AQUINO, Henry J.C.				
4. HASHEM, Mark J.				
			n de da Calar <del>a sei al</del> sa <u>se</u> it	
5. QUINLAN, Sean				
6. SAN BUENAVENTURA, Joy A				
J. SAN DOLINAVENIUKA, JOY A				
7. McDERMOTT, Bob		e Malette effotieren och e		
TOTAL (7)	7			
The recommendation is:  θ  Adopted  θ  Not Adopted    If joint referral,				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				