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Honolulu, Hawaii

February IS, 2017

RE: H.B. No. 869 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. 869 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Authorize the issuance of general obligation bonds to develop affordable rental units and homes; and
- (2) Allow moneys from the conveyance tax and the county surcharge on state tax to be used to repay the bonds.

DHHL, Hawaii Kai Homeless Task Force, IMUAlliance, Hunt Companies, Faith Action for Community Equity Housing Task Force, and Housing Now! Coalition testified in support of this measure. The Governor's Coordinator on Homelessness, Hawaii Housing Finance and Development Corporation, Hawaii Public Housing Authority, Department of Taxation, Department of Budget and Finance, and Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by:

(1) Authorizing the issuance of general obligation bonds to construct long-term rental housing that is prioritized for homeless or low-income households, rather than constructing temporary transitional housing or homeless shelters;

- (2) Changing its effective date to a date to be determined, to facilitate further discussion on this measure; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee wished for further clarification from the Department of Budget and Finance regarding the debt limit, whether the bonds are taxable or tax-exempt, and whether this measure may have any financial implications on affordable housing. Your Committee recognizes that fiscal and budgetary issues concerning this measure will be entertained by the Committee on Finance should it further deliberate on this measure.

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. 869, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 869, 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

Record of Votes of the Committee on Housing

Bill/Resolution No.:	Committee	,	Dates	.	
HB 869	HSG	, FIN		2/7/1	7
θ The committee is reconsidering its previous decision on the measure.					
The recommendation is to: θ Pass, unamended (as is) Pass, with amendments (HD) θ Hold θ Pass short form bill with HD to recommit for future public hearing (recommit)					
HSG Members		Ayes	Ayes (WR)	Nays	Excused
1. BROWER, Tom (C)					
2. NAKAMURA, Nadine	K. (VC)				
3. AQUINO, Henry J.C.	ikkell Vangio görül seghendenes in SF-55 virili inne is			nde 11111	
4. HASHEM, Mark J.	tta Malainetti tiitaan malainetti talainetti oo oo oo ee tii Taran aa tii Taran aa maana oo oo oo oo oo oo oo o	V	A. Barrier C. Lander and C. La	Superior ilemporation del minimi del minimi del marchine	Child Manufacture in proper of many activities.
5. QUINLAN, Sean		✓			Author Mark - John Complete on Access
6. SAN BUENAVENTUR	A, Joy A.	V			
7. McDERMOTT, Bob					
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TOTAL (7)		6	1		
The recommendation is:	✔ Adopted If joint referral,	θ Not Adopted did not support recommendation. committee acronym(s)			
Vice Chair's or designee's signature: Muline X. Mulline					
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