

STAND. COM. REP. NO.

728

Honolulu, Hawaii

February 15, 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



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