Honolulu, Hawaii

February 15 , 2018

RE: H.B. No. 2620 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Twenty-Ninth State Legislature Regular Session of 2018 State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B. No. 2620 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose of this measure is to ensure the availability of affordable housing by:

- (1) Authorizing the Director of Finance to issue general obligation bonds to construct affordable rental units and homes; and
- (2) Allowing conveyance tax revenues and certain county surcharge on state tax revenues to be used to repay bonds.

The Hawaii Housing Finance and Development Corporation, Hawaii Public Housing Authority, Department of Hawaiian Home Lands, and IMUAlliance supported this measure. Hawaii Association of REALTORS opposed this measure. The Department of Budget and Finance and Tax Foundation of Hawaii provided comments.

Your Committee notes that should this measure be enacted, the corresponding annual debt service will need to be included in the Supplemental Appropriations Act of 2018.

HB2620 HD1 HSCR HSG HMS 2018-2206

Your Committee has amended this measure by:

- (1) Clarifying that the Hawaii Housing Finance and Development Corporation may enter into partnerships with state as well as private entities for the construction of affordable rental units that are financed by the issuance of general obligation bonds;
- (2) Changing the effective date to January 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

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. 2620, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2620, 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.: HB 2620 Commit	Committee Referral: Date: 2/13/18			
☐ 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)				
HSG Members	Ayes	Ayes (WR)	Nays	Excused
1. BROWER, Tom (C)				
2. NAKAMURA, Nadine K. (VC)				
3. AQUINO, Henry J.C.				V
			3.52.74	
4. HASHEM, Mark J.	✓			
				<u> </u>
5. QUINLAN, Sean	V			
				· · · · · · · · · · · · · · · · · · ·
6. SAN BUENAVENTURA, Joy A.				
T MODERNOOTE D				
7. MCDERMOTT, Bob				
			·	
			•	
			м	
				-
				-
TOTAL (7)	Н	_		3
The recommendation is: Adopted If joint referral, 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				