Honolulu, Hawaii

March 2 , 2018

RE: H.B. No. 2703 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 Finance, to which was referred H.B. No. 2703, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING AFFORDABILITY,"

begs leave to report as follows:

The purpose of this measure is to provide some relief to lowincome residents by amending certain tax provisions.

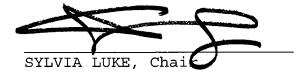
Specifically, this measure:

- (1) Allocates a portion of conveyance tax revenues to the rental assistance revolving fund to be used by the Hawaii Housing Finance and Development Corporation to subsidize rents for persons who meet certain income requirements;
- (2) Increases the income tax credit for low-income household renters; and
- (3) Converts the state earned income tax credit into a refundable tax credit and changes the amount of the credit to an unspecified percentage of the federal earned income tax credit.

The Office of Hawaiian Affairs, IMUAlliance, League of Women Voters of Hawaii, Hawaii Appleseed Center for Law & Economic Justice, Catholic Charities Hawaii, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and a concerned individual supported this measure. The Hawaii Association of REALTORS opposed this measure. The Department of Taxation, Hawaii Housing Finance and Development Corporation, and Tax Foundation of Hawaii provided comments.

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 H.B. No. 2703, H.D. 1, and recommends that it pass Third Reading.

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



## State of Hawaii House of Representatives HSCR 924.18 The Twenty-ninth Legislature

## **Record of Votes of the Committee on Finance**

Bill/Resolution No.:	Committee Referral:	Date:	2/22	1 -
HB 2703 HD1	HSG, FIN		2/23/	2018
☐ 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. CULLEN, Ty J.K. (VC)				
3. CACHOLA, Romy M.				
4. DeCOITE, Lynn				
5. FUKUMOTO, Beth				
6. GATES, Cedric Asuega				
7. HOLT, Daniel		1 1, 144 4 2 4 4 5 5 5 5 5 5 5 6 6 6 6 6 6 6 6 6 6 6		
8. KEOHOKALOLE, Jarrett				
9. KOBAYASHI, Bertrand				
10. LOWEN, Nicole E.  11. NAKAMURA, Nadine K.			1 (S.A.)	
12. TODD, Chris				
13. YAMASHITA, Kyle T.		2 (18 17 ) 1 (18 17 ) 1 (18 17 )		
14. TUPOLA, Andria P.L.			<u>-0%                                    </u>	
15. WARD, Gene				
			<u>.</u>	
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TOTAL (15)	//	Ø	Ø	4
The recommendation is:  □ Adopted  □ Not Adopted  If joint referral, did not support recommendation.  committee acronym(s)				
Vice Chair's or designee's signature				
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