STAND. COM. REP. NO. 379-20

Honolulu, Hawaii

FEB 13 ' 2020

RE: H.B. No. 2472

H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2020 State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B. No. 2472 entitled:

"A BILL FOR AN ACT RELATING TO SELF-HELP HOUSING,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish the Self-Help Homeownership Housing Revolving Fund (Revolving Fund) administered by the Hawaii Housing Finance and Development Corporation (HHFDC) to provide loans and related grants to support the development of affordable homeownership housing projects under a self-help housing program; and
- (2) Appropriate funds into and from the Revolving Fund for loans and project-related technical assistance grants to nonprofit organizations operating a self-help housing program for the development of affordable for-sale housing projects.

Your Committee received testimony in support of this measure from the Hawaii Habitat for Humanity Association; Habitat for Humanity Hawaii Island, Inc.; Kauai Habitat for Humanity, Inc.; Hope Services Hawaii; and two individuals. Your Committee

received comments on this measure from the Hawaii Housing Finance and Development Corporation.

Your Committee finds that for many residents in Hawaii, the pathway to homeownership may be through a self-help program where families perform a significant portion of the construction work required to build their homes, known as "sweat equity". Your Committee further finds that the average statewide mortgage loan amount for a three-bedroom single-family home built under the Habitat for Humanity Self-Help Program is \$210,000. The average monthly payment for these self-help homes ranges from \$520 to \$980, which is considerably lower than the average monthly mortgage payment of \$2,100, as reported in the 2019 Hawaii Housing Planning Study.

Your Committee respectfully requests your Committee on Finance, should it deliberate on this measure, to consider the request by HHFDC for one additional full-time staff position to administer the Self-Help Homeownership Housing Revolving Fund.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2025, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of 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. 2472, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2472, H.D. 1, and be referred to your Committee on Finance.

STAND. COM. REP. NO. **399** -20 Page 3

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

TOM BROWER, Chair

State of Hawaii House of Representatives The THIRTIETH Legislature

Record of Votes of the Committee on Housing

HB 2472	HSG, FIN	Date:	2-4-2	Ø
☐ 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. MATAYOSHI, Scot Z. (VC)				
3. AQUINO, Henry J.C.			<u> </u>	<u></u>
3. Agonto, henry J.c.				
4. CULLEN, Ty J.K.				
5. HASHEM, Mark J.				
3. HASHEN, Walk J.				
6. HASHIMOTO, Troy N.				
7 WOODSON Institut				
7. WOODSON, Justin H.				
8. McDERMOTT, Bob				
TOTAL (8)	8	Ø	Q	_Q
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 (Valloy) Chief Clerk's Office Duplicate (Piple) HMSO				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				