STAND. COM. REP. NO. 48

Honolulu, Hawaii

FEB 1 5 2019

RE: S.B. No. 1312

S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committee on Housing, to which was referred S.B. No. 1312 entitled:

"A BILL FOR AN ACT RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM,"

begs leave to report as follows:

The purpose and intent of this measure is to increase the Hula Mae multifamily revenue bond authorization.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation and Hawaii Association of REALTORS.

Your Committee finds that the Housing Loan and Mortgage program, more commonly known as the Hula Mae multifamily bond program, promotes the development of new, or the acquisition and rehabilitation of existing, rental housing projects through the issuance of mortgage revenue bonds for interim and permanent financing at rates below conventional market interest rates. Your Committee notes that over the last few years, the Hula Mae multifamily bond program has become increasingly popular for nonprofit and for-profit developers of affordable rental housing. This measure would provide more opportunities to develop affordable rental housing by increasing the Hula Mae multifamily revenue bond authorization.

Your Committee has amended this measure by:

- (1) Changing the revenue bond amount from \$2,500,000,000 to a blank amount;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee recommends that your Committee on Ways and Means consider a maximum revenue bond authorization amount of \$2,500,000,000 for the Hula Mae multifamily program.

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 S.B. No. 1312, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1312, S.D. 1, and be referred to your Committee on Ways and Means.

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

STANLEY CHANC Chair

The Senate Thirtieth Legislature State of Hawaiʻi

Record of Votes Committee on Housing HOU

Bill / Resolution No.:* SB 1312	Committee Referral: Date:				
56 1512	HOU, WAM 2/12/2019				
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
CHANG, Stanley (C)		✓			
KANUHA, Dru Mamo (VC)					V
MORIWAKI, Sharon Y.					
THIELEN, Laura H.		✓			
FEVELLA, Kurt					
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<u> </u>					
TOTAL		4	040	D]
Recommendation:	A -1				
X Adopted Not Adopted					
Chair's or Designee's Signature:					
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^{*}Only one measure per Record of Votes