STAND. COM. REP. NO. 2528

Honolulu, Hawaii

FEB 1 2 2020

S.B. No. 2652 RE:

S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2020 State of Hawaii

Sir:

Your Committees on Housing and Water and Land, to which was referred S.B. No. 2652 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

beg leave to report as follows:

The purpose and intent of this measure is to amend section 201H-38 of the Hawaii Revised Statutes to provide that income restrictions are not required for projects that are built for Hawaii residents, who will be owner-occupants, and who own no other property.

Your Committees received testimony in support of this measure from one individual. Your Committees received testimony in opposition to this measure from the Department of Planning and Permitting of the City and County of Honolulu and Hawaii Housing Finance and Development Corporation.

Your Committees find that many affordable housing unit projects in the State face the situation where purchasers of below market units later flip the property by selling them at a higher price to an out of state investor. This measure aims to clarify that affordable housing projects should be occupied by the owners who are residents of the State.

Accordingly, your Committees have amended this measure by:

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- (1) Providing that the restriction on ownership applies to for-sale projects;
- (2) Clarifying that the no income limit restrictions are an alternative to provisions already in chapter 201H; and
- (3) Providing that the for-sale project units have owner-occupancy requirements in perpetuity.

As affirmed by the records of votes of the members of your Committees on Housing and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2652, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2652, S.D. 1, and be referred to your Committee on Judiciary.

Respectfully submitted on behalf of the members of the Committees on Housing and Water and Land,

KAIATTI KAHELE, Chair

STANLEY CHANG, Chair

The Senate Thirtieth Legislature State of Hawai'i

Record of Votes Committee on Housing HOU

| Bill / Resolution No.:* | Committee Referral: Date: | | | | | | | | |
|--|---------------------------|-----|----------|----------|------------|--|--|--|--|
| SB 2652 | HOU/WTL, JDC 1-31-20 | | | | | | | | |
| 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. | | V/ | | ! | | | | | |
| FEVELLA, Kurt | | V | | | | | | | |
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| TOTAL | | 5 | | | | | | | |
| Recommendation: Adopted Not Adopted | | | | | | | | | |
| Chair's or Designee's Signature: | | | | | | | | | |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy | | | | | | | | | |

^{*}Only one measure per Record of Votes

The Senate Thirtieth Legislature State of Hawai'i

Record of Votes Committee on Water and Land WTI

| Bill / Resolution No.:* | Committee Referral: | | | Date: | | | | | | |
|--|----------------------|----------|--------|-------|-----|----------|--|--|--|--|
| SB 2652 | HOW/WTL, JDC 1/31/20 | | | 20 | | | | | | |
| 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 (W | R) N | lay | Excused | | | | |
| KAHELE, Kaiali'i (C) | | × | | | | | | | | |
| KEITH-AGARAN, Gilbert S.C. (VC) | | | | | | × | | | | |
| NISHIHARA, Clarence K. | | | | | | 4 | | | | |
| RIVIERE, Gil | | / | | | | / | | | | |
| FEVELLA, Kurt | | X | | | | | | | | |
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| TOTAL | | 3 | 0 | · · | 2 | .2_ | | | | |
| Recommendation: Adopted Not Adopted | | | | | | | | | | |
| Chair's or Designee's Signature: | | | | | | | | | | |
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