DAVID Y. IGE GOVERNOR



DENISE ISERI-MATSUBARA INTERIM EXECUTIVE DIRECTOR

**STATE OF HAWAII** 

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION 677 QUEEN STREET, SUITE 300 Honolulu, Hawaii 96813 FAX: (808) 587-0600

IN REPLY REFER TO:

# Statement of DENISE ISERI-MATSUBARA

Hawaii Housing Finance and Development Corporation Before the

### SENATE COMMITTEE ON HOUSING

January 23, 2020 at 1:15 p.m. State Capitol, Room 225

In consideration of

### S.B. 2046 PROPOSING AN AMENDMENT TO ARTICLE IX, SECTION 5, OF THE HAWAII STATE CONSTITUTION, TO REQUIRE THE STATE TO PRODUCE ENOUGH HOUSING TO MEET DEMAND.

The HHFDC <u>supports the intent</u> of S.B. 2046. There is a significant shortage of housing statewide. The 2019 Hawaii Housing Planning Study states that from 2020 to 2025, a total of 50,156 new housing units will be needed across all income classifications.

We note, however, that <u>requiring</u> the State to produce enough housing to meet demand would require a considerable investment of State funds and development resources over a long period of time, leaving fewer resources to address other pressing State priorities. We also note that a significant portion of total housing units needed -- 13,851 units -- are for households at 140 percent of the area median income and above. These households can afford market housing produced by private sector developers, and requiring the State to produce housing for them may not be the best use of limited State funds.

Thank you for the opportunity to testify.





### ON THE FOLLOWING MEASURE:

S.B. NO. 2046, PROPOSING AN AMENDMENT TO ARTICLE IX, SECTION 5, OF THE HAWAII STATE CONSTITUTION TO REQUIRE THE STATE TO PRODUCE ENOUGH HOUSING TO MEET DEMAND.

## **BEFORE THE:**

SENATE COMMITTEE ON HOUSING

DATE: Thursday, January 23, 2020

**TIME:** 1:15 p.m.

LOCATION: State Capitol, Room 225

**TESTIFIER(S):** Clare E. Connors, Attorney General, or Matthew S. Dvonch, Deputy Attorney General

Chair Chang and Members of the Committee:

The Department of the Attorney General provides the following comments on this bill.

This bill proposes an amendment to article IX, section 5 of the Hawai'i Constitution to require the State to produce enough housing to meet demand.

Some provisions of the Hawai'i Constitution are self-executing, in that they supply sufficient rules "by means of which the right[s] given may be enjoyed and protected" without the need for further implementing legislation. *State v. Rodrigues*, 63 Haw. 412, 414, 629 P.2d 1111, 1113 (1981). Other provisions are not self-executing because they set forth principles only, and require further implementing legislation before they can be enforced. *Id.* When a constitutional provision is not self-executing, the Legislature has an opportunity to enact legislation that provides the standards and criteria by which the purposes of the provision can be accomplished.

If the Legislature does not intend the provision to be self-executing, we suggest adding the following sentence to page 1, line 6, of the bill: "The legislature shall provide standards and criteria to accomplish the foregoing." We also suggest amending the ballot question to say, "Shall the State be required to produce enough housing to meet demand, subject to standards and criteria provided by the Legislature?"

Thank you for the opportunity to provide these comments.



Comments:

Aloha Chair Chang and Committee Members,

The LGBT Caucus of the Democratic Party of Hawai'i recognizes that the availability of housing is a major crisis here in Hawai'i. It impacts all of us that are lucky enough to call Hawaii home.

We also recognize that there is no silver bullet to this crisis but this Constitutional Amendment will be a tool to help rectify this crisis.

Mahalo for the opportunity to testify,

Michael Golojuch, Jr. Chair LGBT Caucus of the Democratic Party of Hawai'i





#### SENATE COMMITTEE ON HOUSING State Capitol, Conference Room 225 415 South Beretania Street 1:15 PM

January 23, 2020

#### RE: SENATE BILL NO. 2046, PROPOSING AN AMENDMENT TO ARTICLE IX, SECTION 5, OF THE HAWAII STATE CONSTITUTION, TO REQUIRE THE STATE TO PRODUCE ENOUGH HOUSING TO MEET DEMAND

Chair Chang, Vice Chair Kanuha, and members of the committee:

My name is Gladys Quinto-Marrone, CEO of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii. Our members build the communities we all call ho\me.

BIA-Hawaii is in **<u>strong support of S.B. 2046</u>**, which proposes an amendment to the Hawaii State Constitution requiring the state to produce enough housing to meet demand.

As the development of housing units in Hawaii has evolved over time, the role of state and county government dealing with entitlements and infrastructure has shifted from being pro-active and planning for additional growth, to being reactive and waiting for developer-initiated projects to seek approval from a disjointed array of government agencies.

Having a constitutional mandate to produce sufficient housing to meet demand may create the requirement for government agencies to take a more proactive approach to ensure that an adequate supply of housing is provided for future generations.

We are in strong support of S.B. 2046, and appreciate the opportunity to express our views on this matter.

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## <u>SB-2046</u>

Submitted on: 1/22/2020 5:37:02 PM Testimony for HOU on 1/23/2020 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Rainbow	Testifying for Rainbow Family 808	Support	Yes

Comments:

Rainbow Family 808 advocates and supports SB2046 to ensure that all individuals and families have the right to shelter and housing that gives them the dignity to live a life that supplies their basic human daily needs!

Please pass SB2046 for the benefit the people of the State of Hawai'i at all levels, all ethnic backgrounds, all colors of skin, all educational opportunities, all protected classes, in other words, everyone. This is the essence of Aloha! Thank you for your concurrence with Social Justice!



# Testimony Before the Senate Housing Comm that would <u>Amend</u> SB 2046, Amending the Hawaii Constitution to Require the State to to Meet Housing Demand Galen Fox, January 23, 2020

Chair Chang, Committee Members:

At his Second Inaugural, President Franklin Roosevelt famously said, "I see onethird of a nation ill-housed, ill-clad, ill-nourished. . . . <u>The test of our progress is</u> not whether we add more to the abundance of those who have much; it is whether we provide enough for those who have too little."

*83 years later*, we have conquered lack of food and clothing. But Hawaii's affordable housing deficiency has reached crisis levels. Our children leave for lower-cost mainland homes. <u>A majority of native Hawaiians now live elsewhere.</u>

Protecting the environment, our State Constitution, in Article XI, says:

Each person has the right to a clean and healthful environment, as defined by laws relating to environmental quality, including control of pollution and conservation, protection and enhancement of natural resources.

Article IX, covering housing, should be amended to parallel Article XI, and read:

Each person has a right to shelter, as defined by laws relating to housing production, including land use, state-supported low income housing, and bond-financed infrastructure. The State shall have the power to provide for, or assist in, housing, [slum clearance] the elimination of blighted areas, and the development or rehabilitation of substandard areas. The exercise of such power is deemed to be for a public use and purpose.

The legislature would importantly retain the power to *define* how the Constitution's housing right is moved to reality.

Mahalo.