

STAND. COM. REP. NO. 1557

Honolulu, Hawaii

APR 08 2021

RE: H.B. No. 1324
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1324, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO COMMERCIAL PROPERTY RENT RELIEF,"

begs leave to report as follows:

The purpose and intent of this measure is to provide rent relief grants under certain circumstances for owners of properties classified as commercial, hotel and resort, or industrial under county real property tax classifications.

More specifically, this measure:

- (1) Establishes a commercial rent relief grant program with eligibility requirements and application procedures;
- (2) Provides the Department of Business, Economic Development, and Tourism with the authority to audit or investigate any grant application;
- (3) Provides that fraudulent applications or grant awards shall be deemed a violation of section 661-21, Hawaii Revised Statutes;



- (4) Requires that the grant program have priority in the distribution of federal funds received by the State; and
- (5) Appropriates moneys for the program.

Your Committee received testimony in support of this measure from the Chamber of Commerce Hawaii; Hawaii Association of REALTORS; Hawaii Island Economic Development Board; Hawaii Leeward Planning Conference; Eggs 'N Things Hawaii, Inc.; Hawaii Farm Bureau; Island Business Management, LLC; NAIOP; Retail Merchants of Hawaii; Hawaii Restaurant Association; The Kahala Hotel and Resort; Hawaii Food Industry Association; Suzuki Properties, LLC; BOMA Hawaii; Hawaii Lodging and Tourism Association; Blue Ginger; Maui Chamber of Commerce; and four individuals.

Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism; Department of Taxation; and Department of Budget and Finance.

Your Committee finds that the coronavirus disease 2019 pandemic has had a devastating impact on the local economy. Businesses in the State have faced mounting losses in revenue while incurring substantial expenses during mandated closure periods. Your Committee also finds that the commercial rent relief grant program established by this measure will help small businesses recover from the pandemic and continue to contribute to the local economy and employ Hawaii's residents.

Your Committee has amended this measure to prohibit any property owner that receives a rent relief grant from evicting or taking any other retributive action against a commercial or industrial tenant for the nonpayment of rent that is forgiven pursuant to the rent relief grant program.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1324, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1324, H.D. 2, S.D. 1, and be placed on the calendar for Third Reading.



Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

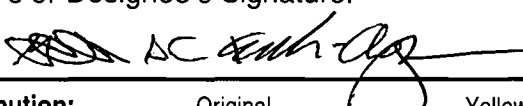
A handwritten signature in black ink, appearing to read "Donovan M. DeLa Cruz", written over a horizontal line.

DONOVAN M. DELA CRUZ, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:
<i>HB 1324, HD 2</i>	<i>WAM</i>	<i>3/30/21</i>
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____		
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)
Nay	Excused	
DELA CRUZ, Donovan M. (C)	X	
KEITH-AGARAN, Gilbert S.C. (VC)	X	
ENGLISH, J. Kalani	X	
INOUYE, Lorraine R.	X	
KANUHA, Dru Mamo	X	
KIDANI, Michelle N.	X	
MORIWAKI, Sharon Y.	X	
SHIMABUKURO, Maile S.L.	X	
TANIGUCHI, Brian T.	X	
WAKAI, Glenn	X	
FEVELLA, Kurt	X	
TOTAL	<i>11</i>	
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> 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