

STAND. COM. REP. NO.

487

Honolulu, Hawaii

FEB 19 , 2021

RE: H.B. No. 79
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B. No. 79
entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish the Affordable Homeownership Revolving Fund to provide loans to nonprofit community development financial institutions and nonprofit housing development organizations for the development of affordable homeownership housing projects; and
- (2) Appropriate funds from the Affordable Homeownership Revolving Fund for loans for the development of affordable for-sale housing projects.

Your Committee received testimony in support of this measure from Hawaii Habitat for Humanity Association; Kaua'i Habitat for Humanity Inc.; Habitat for Humanity Maui; Habitat for Humanity Hawaii Island, Inc.; Maui Chamber of Commerce; St. Michael the Archangel Parish; and two individuals. Your Committee received comments on this measure from the Department of Budget and Finance and Hawaii Housing Finance and Development Corporation.

2021-1759 HB79 HD1 HSCR HMSO



Your Committee notes that in the last fifty years, the number of full-time Hawaii residents who own homes has steadily declined. Currently, Hawaii has the third lowest homeownership rate of any state in the nation. Your Committee finds that the self-help housing model is a cost-effective means of assisting low-income families who otherwise would not have a homeownership opportunity. Funds provided through the Affordable Homeownership Revolving Fund, as proposed by this measure, will assist in the development, pre-development, construction, acquisition, preservation, and substantial rehabilitation of affordable for-sale housing units in the State.

Your Committee has amended this measure by:

- (1) Authorizing the Hawaii Housing Finance and Development Corporation to:
 - (A) Contract with nonprofit community development financial institutions to fund loans for affordable homeownership housing projects; and
 - (B) Establish, revise, charge, and collect service fees for its loans and services, and deposit the fees into the Affordable Homeownership Revolving Fund;
- (2) Authorize the Director of Finance to transfer taxable general obligation bond proceeds and accrued interest from the Rental Housing Revolving Fund to the Affordable Homeownership Revolving Fund for Fiscal Year 2022-2023;
- (3) Appropriating funds out of the Affordable Homeownership Revolving Fund for only Fiscal Year 2022-2023;
- (4) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (5) 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. 79, as amended herein, and recommends that it pass Second Reading in



the form attached hereto as H.B. No. 79, H.D. 1, and be referred to your Committee on Finance.

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

A handwritten signature in black ink, appearing to read "Nadine K. Nakamura", written over a horizontal line.

NADINE K. NAKAMURA, Chair



HSCA 487

Bill/Resolution No.: HB 79	Committee Referral: HSG, FIN	Date: 2/16/21		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HSG Members	Ayes	Ayes (WR)	Nays	Excused
1. NAKAMURA, Nadine K. (C)	✓			
2. HASHIMOTO, Troy N. (VC)	✓			
3. AQUINO, Henry J.C.	✓			
4. DeCOITE, Lynn	✓			
5. ILAGAN, Greggor	✓			
6. KITAGAWA, Lisa	✓			
7. TAKUMI, Roy M.	✓			
8. McDERMOTT, Bob				✓
TOTAL (8)	7	0	0	1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: _____ 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				