STAND. COM. REP. NO. 1302

Honolulu, Hawaii

MAR 2 3 2023

H.B. No. 668 RE:

> H.D. 1 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sir:

Your Committees on Housing and Public Safety and Intergovernmental and Military Affairs, to which was referred H.B. No. 668, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- Condition the authority of a county whose population is (1) greater than five hundred thousand to exercise state housing powers upon a county's continued compliance with provisions regarding acceptance of the dedication of infrastructure and public highways in affordable housing developments; and
- (2) Amend various provisions relating to the dedication of infrastructure to a county.

Your Committees received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation. Committees received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committees find that while the City and County of Honolulu has collected real property tax revenues from the

Villages of Kapolei for the past thirty years, it has yet to accept dedication of its infrastructure improvements, including roads, sidewalks, and other infrastructure. As a result, the State, through the Hawaii Housing Finance and Development Corporation (HHFDC), has been maintaining and improving these infrastructure improvements at an average cost of over \$1,000,000 per year. According to testimony received by your Committees, necessary road rehabilitation work in the Villages of Kapolei will soon increase these maintenance and improvement costs to about \$10,000,000 per year. Your Committees note that HHFDC has been paying for the infrastructure improvements with monies from the Dwelling Unit Revolving Fund and that the accepted dedication of these infrastructure improvements by the City and County of Honolulu would allow those funds to be used toward infrastructure of newly-constructed affordable housing statewide.

Your Committees have amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Housing and Public Safety and Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 668, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 668, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary.

Respectfully submitted on behalf of the members of the Committees on Housing and Public Safety and Intergovernmental and Military Affairs.

GLENN WAKAI, Chair

STANLEY CHANC Chair

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The Senate Thirty-Second Legislature State of Hawaiʻi

Record of Votes Committee on Housing HOU

| Bill / Resolution No.:* | Committee Referral: | | | Date: | | | | |
|--|---------------------|----------------------|----------------------|-------------|------------------------|--|--|--|
| HB 668, HDI | HOU/PSM, JDC | | | 03/17/2023 | | | | |
| 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 (WF | R) Nay | Excused | | | |
| CHANG, Stanley (C) | | V/ | | | | | | |
| KANUHA, Dru Mamo (VC) | | V | | | | | | |
| AQUINO, Henry J.C. | | | | | V | | | |
| RHOADS, Karl | | V | | | | | | |
| AWA, Brenton | | V | | | | | | |
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| Adopted Not Adopted | | | | | | | | |
| Chair's or Designee's Signature: | | | | | | | | |
| Distribution: Original File with Committee Re | | ellow 's Office D | Pink Prafting Age | | denrod ee File Copy | | | |

*Only one measure per Record of Votes

The Senate Thirty-Second Legislature State of Hawai'i

Record of Votes Committee on Public Safety and Intergovernmental and Military Affairs PSM

| | Committee Referral: HOULPSM, JDC | | | Date: 3/17/2-3 | | | | |
|--|----------------------------------|-----|----------|----------------|---------|--|--|--|
| 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 | | | |
| WAKAI, Glenn (C) | | | | | | | | |
| ELEFANTE, Brandon J.C. (VC) | | | | | | | | |
| FUKUNAGA, Carol | | | | | | | | |
| MCKELVEY, Angus L.K. | | | | | | | | |
| AWA, Brenton | | | | | | | | |
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| 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 | | | | | | | | |

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