

STAND. COM. REP. NO.

782

Honolulu, Hawaii

MAR 03 2023

RE: S.B. No. 1462  
S.D. 2

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

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 1462, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LIMITED-PROFIT HOUSING ASSOCIATIONS,"

begs leave to report as follows:

The purpose and intent of this measure is to establish an organizational and regulatory framework for limited-profit housing associations.

Your Committee received testimony in support of this measure from one individual. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism and Department of Taxation.

Your Committee finds that there is a desperate need to create additional housing in the State. Your Committee further finds that the limited-profit housing association model is a sustainable option to develop long-term housing, under which any profit generated by a housing project must be used for the creation of more housing. This measure establishes the framework necessary to authorize limited-profit housing associations in Hawaii. Your Committee notes that this measure, as currently written, requires clarification and regulate to identify the entity responsible for issuing the approvals identified in this measure.



Accordingly, your Committee has amended this measure by:

- (1) Clarifying that the Limited-Profit Housing Council shall be the entity responsible for issuing any necessary approvals or permissions required for a limited-profit housing association;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1462, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1462, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Commerce and  
Consumer Protection,



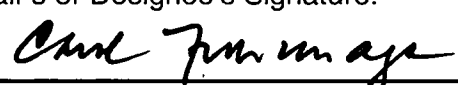
---

JARRETT KEOHOKALOLE, Chair



The Senate  
 Thirty-Second Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Commerce and Consumer Protection**  
**CPN**

Bill / Resolution No.:* <b>SB1462 SD1</b>	Committee Referral: <b>HOV, CPN</b>	Date: <b>2/21/23</b>		
<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
KEOHOKALOLE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)	✓			
MCKELVEY, Angus L.K.				✓
RICHARDS, III, Herbert M. "Tim"	✓			
AWA, Brenton			✓	
<b>TOTAL</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original             Yellow             Pink             Goldenrod File with Committee Report             Clerk's Office             Drafting Agency             Committee File Copy				

\*Only one measure per Record of Votes