

Honolulu, Hawaii

MAR 03 2023

RE: S.B. No. 865
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 Ways and Means, to which was referred S.B. No. 865, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose and intent of this measure is to increase the supply of affordable housing for residents of the State.

More specifically, this measure:

- (1) Establishes the ALOHA homes program to develop low-cost homes on state- and county-owned land in urban redevelopment sites near public transit stations, to be sold to qualified residents;
- (2) Exempts ALOHA homes program developments from land component impact fee or fee in lieu requirements and construction cost component impact fee requirements; and
- (3) Appropriates moneys to the Hawaii Public Housing Authority for the ALOHA homes program, including the establishment of program manager and development specialist positions.

Your Committee received written comments in support of this measure from the Hawaii Public Housing Authority, Church of the



Crossroads, Land Use Research Foundation of Hawaii, and numerous individuals.

Your Committee received written comments in opposition to this measure from one individual.

Your Committee received written comments on this measure from the Department of Budget and Finance, Department of Land and Natural Resources, Grassroot Institute of Hawaii, and Sierra Club of Hawaii.

Your Committee finds that increasing the supply of low-cost homes for residents of the State near public transit stations will help to address the State's housing needs without creating widespread urban sprawl.

Your Committee has amended this measure by:

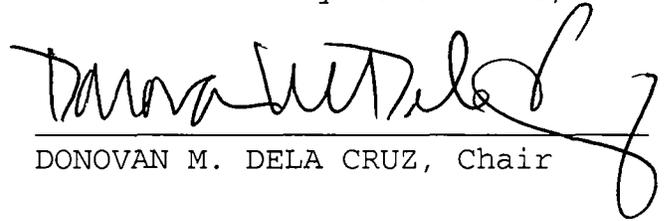
- (1) Clarifying that the Hawaii Public Housing Authority is required to administer the ALOHA homes revolving fund;
- (2) Clarifying that moneys appropriated by the Legislature are a lawful source of funding for the revolving fund;
- (3) Requiring the Hawaii Public Housing Authority to submit annual reports to the Legislature on the progress of ALOHA homes program projects;
- (4) Clarifying that the amendments made to section 302A-1603(b), Hawaii Revised Statutes, by this measure shall not be repealed when that section is reenacted on July 1, 2024;
- (5) Inserting a repeal date of July 1, 2053;
- (6) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (7) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

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 S.B. No. 865, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 865, S.D. 2.

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



DONOVAN M. DELA CRUZ, Chair



The Senate
Thirty-Second Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB865 SDI	Committee Referral: HOU/WTL/G-VO, WAM	Date: 3/3/23		
<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			
AQUINO, Henry J.C.	X			
DECOITE, Lynn	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris	X			
MORIWAKI, Sharon Y.	X			
SHIMABUKURO, Maile S.L.	X			
WAKAI, Glenn	X			
FEVELLA, Kurt				X
TOTAL	12			1
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