STAND. COM. REP. NO. 3727

Honolulu, Hawaii

APR 0 5 2024

RE: H.B. No. 2090

H.D. 1 S.D. 2

Honorable Ronald D. Kouchi President of the Senate Thirty-Second State Legislature Regular Session of 2024 State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 2090, H.D. 1, 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:

- (1) Beginning January 1, 2025, allow residential uses in areas zoned for commercial use to be considered permitted under certain circumstances; and
- (2) Require, no later than January 1, 2025, each county to adopt or amend its ordinances to allow for adaptive reuse of existing commercial buildings in the county's building codes.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Office of Housing of the City and County of Honolulu, one member of the Kaua'i County Council, Housing Hawai'i's Future, Hawai'i Association of REALTORS, Building Owners and Managers Association Hawai'i, Hawaii Young Republicans, Grassroot Institute of Hawaii, Democratic Party of Hawai'i, Building Industry Association Hawaii, Maui Chamber of Commerce, Land Use Research Foundation of Hawaii, and six individuals.

Your Committee received testimony in opposition to this measure from Hawaii's Thousand Friends and two individuals.

Your Committee received comments on this measure from the Disability and Communication Access Board and American Institute of Architects Hawaii.

Your Committee finds that the aftermath of the coronavirus disease 2019 pandemic and trends in remote work have resulted in historically high vacancy rates and an underutilization of commercial space and office buildings. Your Committee believes that allowing the development of housing in commercial districts and encouraging the repurposing of older commercial buildings that are underutilized due to market conditions or functional obsolescence will expand the State's housing inventory while also creating more vibrant communities. This measure will increase the State's supply of housing by adapting commercial spaces for residential uses.

Your Committee has amended this measure by:

- (1) Making it effective on January 1, 2025; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2090, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2090, H.D. 1, S.D. 2.

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

KARL RHOADS, Chair

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The Senate Thirty-Second Legislature State of Hawai'i

Record of Votes Committee on Judiciary JDC

Bill / Resolution No.:*	Committee	Committee Referral:		Date:	
HB 2090 HDISDI	GVO WTL, JDC			04 02 24	
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
RHOADS, Karl (C)		V/			
GABBARD, Mike (VC)		V,		,	
ELEFANTE, Brandon J.C.					
SAN BUENAVENTURA, Joy	۹.	V	:		
AWA, Brenton					V
					
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TOTAL		4			1
Recommendation:	/			<u>. </u>	
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					

*Only one measure per Record of Votes