

Honolulu, Hawaii  
, 2024

**MAR 01**

RE: H.B. No. 2364  
H.D. 2

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2364, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE CONVEYANCE TAX,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Increase the conveyance tax rate for certain properties;
- (2) Exempt conveyances of certain real property from the conveyance tax;
- (3) Establish a new conveyance tax rate for multifamily residential properties;
- (4) Eliminate the cap on the amount of conveyance tax collections allocated to the Land Conservation Fund and Rental Housing Revolving Fund; and
- (5) Allocate ten percent of conveyance tax collections to the Dwelling Unit Revolving Fund to fund infrastructure programs in transit-oriented development areas.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and



Tourism; Department of Hawaiian Home Lands; Office of Planning and Sustainable Development; Hawai'i Community Development Authority; Catholic Charities Hawai'i; Hawai'i Children's Action Network SPEAKS!; League of Women Voters of Hawaii; Democratic Party of Hawai'i; Partners in Care; Hawai'i Youth Services Network; and numerous individuals. Your Committee received testimony in opposition to this measure from the Hawai'i Association of REALTORS; NAIOP Hawaii; Grassroot Institute of Hawaii; Land Use Research Foundation of Hawaii; and one individual. Your Committee received comments on this measure from the Department of Land and Natural Resources; Department of Taxation; Hawaii Housing Finance and Development Corporation; Tax Foundation of Hawaii; Hawaii Appleseed Center for Law and Economic Justice; The Nature Conservancy; Hawai'i Housing Affordability Coalition; Kū Pono ka Leo o ka 'Āina; Hawaii Community Lending; and one individual.

Your Committee has amended this measure by:

- (1) Changing the conveyance tax rates to unspecified amounts; and
- (2) 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 Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2364, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2364, H.D. 2.

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



KYLE T. YAMASHITA, Chair



