CONFERENCE COMMITTEE REP. NO. 24

Honolulu, Hawaii

APR 2 6 2024

RE: S.B. No. 1099

- S.D. 1
- H.D. 2
- C.D. 1

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

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

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 1099, S.D. 1, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to clarify the authority of the counties to use county surcharge on state tax revenues for housing infrastructure costs for county-supported housing projects.

Your Committee on Conference finds that the cost of infrastructure to support housing is a major barrier to the development of affordable and workforce housing statewide. Your Committee on Conference notes that Maui County is the only county in the State that has not adopted a surcharge on state tax and that allowing surcharges on state tax to be used for housing infrastructure would provide Maui County with the revenues necessary to address its affordable housing crisis. This measure offers

2024-2793 SCCR SMA-2.docx



another source of funding for counties to offset the high costs of housing infrastructure, thereby accelerating the development of housing projects at the county level. Your Committee on Conference notes that the phrase "county-supported housing projects" could be ambiguous and, as such, believes that an amendment that clarifies the authority of the counties to use their surcharge on state tax revenues for housing infrastructure costs only for countyappropriated housing infrastructure costs is necessary to ensure that no ambiguity exists.

Accordingly, your Committee on Conference has amended this measure by:

- Clarifying that the authority of the counties to use their surcharge on state tax revenues for housing infrastructure costs are only for county-appropriated housing infrastructure costs;
- (2) Inserting an effective date of July 1, 2024; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1099, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1099, S.D. 1, H.D. 2, C.D. 1.

Respectfully submitted on behalf of the managers:

ON THE PART OF THE HOUSE

SCOT Z. MARYOSHI Co-Chai

KYLE T. YAMASHITA

Co-Chair



ON THE PART OF THE SENATE

ANGUS L.K. MCKELVEY

Chair

TROY N. HASHIMOTO Co-Chair

Hawai'i State Legislature

CCR 121-24

Record of Votes of a Conference Committee

ł

	4.26.24 My								
Bill / Concurrent Resolution No.: SB 1099, SD 1, HD 2				H:26:24 My Date/Time: -04-25-2024 9:35 cm					
The recommendation of the House and Senate managers is to pass with amendments (CD).									
The Committee is reconsidering its previous decision.									
The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure				The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.					
Senate Managers	A	WR	N	E	House Managers	Α	WR	N	E
MCKELVEY, Angus L.K., Chr.	\mathbb{V}				MATAYOSHI, Scot Z., Co-Chr.	\mathbf{V}			
HASHIMOTO, Troy N., Co-Chr.	V				YAMASHITA, Kyle T., Co-Chr.]/			
ELEFANTE, Brandon J.C.	\overline{V}				GARRETT, Andrew Takuya	TV		-	4/2
					MIYAKE, Tyson K.	$\overline{\mathbf{V}}$			
					POEPOE, Mahina	i			
					ALCOS III, David	C			
			Ì						
						1			
						1			
						1			
						-			
	1					+			
	1	<u> </u>				1			├ ──
	\vdash					1			
TOTAL	3	Õ	0	\mathbb{C}	TOTAL	6	Õ	0	\bigcirc
$\mathbf{W} = Aye \qquad \mathbf{W}\mathbf{R} = Aye \text{ with Reservations} \qquad \mathbf{N} = Nay$							cused		
Senate Recommendation is:				House Recommendation is:					
Adopted Not Adopted				Adopted Not Adopted					
Senate Lead Chair's or Designee's Signature:				House Lead Chair's or Designee's Signature:					
Distribution:OriginalYellowPinkGoldenrodFile with Conference Committee ReportHouse Clerk's OfficeSenate Clerk's OfficeDrafting Agency									