

STAND. COM. REP. NO.

1399

Honolulu, Hawaii

MAR 21 , 2023

RE: S.B. No. 1442
S.D. 2
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Housing, to which was referred S.B. No. 1442, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO OHANA ZONES,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish one position in the Office of the Governor to oversee the administration of this measure; and
- (2) Appropriate funds and authorize the issuance of general obligation bonds for the Ohana Zones Pilot Program.

Your Committee received testimony in support of this measure from the Governor's Coordinator on Homelessness, Department of Human Services, State Council on Mental Health, AARP Hawai'i, Partners In Care, Family Promise of Hawai'i, Opportunity Youth Action Hawai'i, and five individuals.

Your Committee finds that the Ohana Zones Pilot Program provides an essential source of funding for innovative approaches to serve and house people experiencing homelessness and to fill gaps in homeless housing and services that cannot be done with other sources of funding. Your Committee believes that more

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funding is needed to continue providing necessary services under the Ohana Zones Pilot Program to reduce the number of residents experiencing, or who are on the verge of, homelessness. However, your Committee wants to ensure that certain funds provided under this measure are for the development of new units under the pilot program.

Your Committee has amended this measure by:

- (1) Clarifying that the position in the Office of the Governor is a one-full time equivalent (1.0 FTE) position and may be transferred to a designated executive branch department or agency;
- (2) Changing the means of financing for the construction of Ohana Zones facilities from general obligation bonds to general revenues;
- (3) Making the Ohana Zones Pilot Program a government assistance program for purposes of a general excise tax exemption for the development of affordable housing, under certain circumstances;
- (4) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (5) 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 Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1442, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1442, S.D. 2, H.D. 1, and be referred to your Committee on Finance.



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



TROY N. HASHIMOTO, Chair



