

STAND. COM. REP. NO. 1301

Honolulu, Hawaii

MAR 17, 2023

RE: S.B. No. 1462
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. 1462, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO LIMITED-PROFIT HOUSING ASSOCIATIONS,"

begs leave to report as follows:

The purpose of this measure is to establish an organizational, taxation, and regulatory framework for limited-profit housing associations, including the establishment of the Limited-Profit Housing Council to oversee and administer limited-profit housing associations in the State.

Your Committee received testimony in support of this measure from one individual. Your Committee received comments on this measure from the Department of Taxation and Department of Business, Economic Development, and Tourism.

Your Committee finds that the limited-profit housing associations system has a significant and successful role in the Austrian housing market. These associations are unique in that they operate under a specific limited-profit governance, which is not profit-driven or state-owned. While there is merit in one day adopting a limited-profit housing association system in the State,

2023-2581 SB1462 HD1 HSCR HMSO



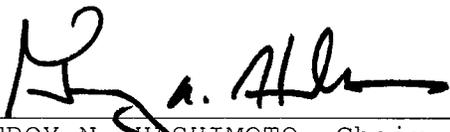
your Committee believes it more prudent to first study the feasibility of implementing such a system in the State.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that established an organizational, taxation, and regulatory framework for limited-profit housing associations, including a Limited-Profit Housing Council;
- (2) Establishing a Limited-Profit Housing Associations Working Group to study the feasibility and applicability of adopting a limited-profit housing association system in the State and report to the Legislature;
- (3) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (4) 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. 1462, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1462, S.D. 2, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

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


TROY N. HASHIMOTO, Chair



