

Honolulu, Hawaii

FEB 02, 2024

RE: H.B. No. 2214
H.D. 1

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

Sir:

Your Committee on Housing, to which was referred H.B. No. 2214 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose of this measure is to require affordable housing credits to be issued for single-family residences, multi-family residences, or other types of residences developed under a Hawaii Housing Finance and Development Corporation housing program.

Your Committee received testimony in support of this measure from NAIOP Hawaii; Maui Chamber of Commerce; and Hawai'i YIMBY. Your Committee received comments on this measure from the Hawaii Community Development Authority.

Your Committee finds that the State is in dire need of more affordable housing. To add to housing challenges already faced by Hawaii residents, interest rates for residential mortgages have reached a forty-year high. The recent increases in interest rates have resulted in a lower sales price for certain units built under the housing development programs overseen by the Hawaii Housing Development Corporation, due to sales price limitations tied into area median income limitations. This measure will provide a means for housing developers to fulfill their affordable housing



requirements with less risk, thereby increasing the supply of affordable housing for residents of the State.

Your Committee notes the testimony from the Hawaii Community Development Authority expressing concerns that it lacks the capacity to serve as a recordkeeper for the housing credits, and as this measure is providing the counties with the authority to issue housing credits, the Authority believes the counties should be responsible for monitoring and tracking the credits, rather than a state authority. Your Committee understands these concerns and will continue to work with the counties as this measure moves through the legislative process to ensure that the counties have the capability to monitor and track the housing credits as proposed by this measure.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that would have required a state authority to be responsible for monitoring the use and transfer of credits;
- (2) Changing the effective date to January 1, 3000, to encourage further discussion; and
- (3) 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 H.B. No. 2214, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2214, H.D. 1, and be referred to your Committee on Water & Land.

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

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LUKE A. EVSLIN, Chair



Record of Votes of the Committee on Housing

Bill/Resolution No.: HB 2214	Committee Referral: HSG, WAL, FIN	Date: 1/31/2024		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HSG Members	Ayes	Ayes (WR)	Nays	Excused
1. EVSLIN, Luke A. (C)	✓			
2. AIU, Micah P.K. (VC)	✓			
3. KILA, Darius K.	✓			
4. KITAGAWA, Lisa				✓
5. MIYAKE, Tyson K.	✓			
6. ONISHI, Richard H.K.	✓			
7. TODD, Chris	✓			
8. MATSUMOTO, Lauren	✓			
TOTAL (8)	7	0	0	1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature: <i>Trilene</i>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				