

MAR 07 2025

SENATE CONCURRENT RESOLUTION

DECLARING THE INTENT THAT PROJECTS WITH HOUSING UNITS THAT QUALIFY FOR HOUSING CREDITS UNDER ACT 31, SESSION LAWS OF HAWAII 2024, ARE STILL ELIGIBLE TO RECEIVE HOUSING CREDITS AFTER THE REPEAL OF THAT ACT IF THE HOUSING PROJECTS WERE APPROVED BY THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION BEFORE JULY 1, 2031, AND REQUESTING THE CORPORATION AND EACH COUNTY TO INCLUDE CERTAIN INFORMATION WHEN APPROVING HOUSING PROJECTS FOR HOUSING CREDITS.

1 WHEREAS, the State of Hawaii is currently facing a severe
2 housing crisis, with a 2019 study commissioned by the Department
3 of Business, Economic Development, and Tourism finding that the
4 State will require an additional 50,156 homes by 2025; and
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6 WHEREAS, the study identified the following housing
7 shortages by county: the City and County of Honolulu required
8 22,168 new units, Hawaii County required 13,303 new units, Maui
9 County required 10,404 new units, and Kauai County required
10 4,281 new units; and
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12 WHEREAS, the affordability of housing has been further
13 exacerbated by a sharp rise in mortgage and construction
14 financing costs, including an increase in the average thirty-
15 year fixed residential mortgage interest rate from 3.11 percent
16 in December 2021 to 6.42 percent in December 2022 and an
17 increase in the one-month term of the secured overnight
18 financing rate from 0.05 percent to 4.30 percent over the same
19 period; and
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21 WHEREAS, to address this issue, the Legislature enacted Act
22 31, Session Laws of Hawaii 2024 (Act 31), which requires the
23 counties to issue housing credits for housing units that are
24 constructed under the various programs of the Hawaii Housing
25 Finance and Development Corporation; and



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WHEREAS, Act 31 is set to be repealed on July 1, 2031, which is causing uncertainty regarding whether housing projects that were approved before July 1, 2031, would still be eligible for housing credits after that date; and

WHEREAS, there is a need to clarify the intentions of the Legislature regarding the application of Act 31 to housing projects approved before July 1, 2031; now, therefore,

BE IT RESOLVED by the Senate of the Thirty-third Legislature of the State of Hawaii, Regular Session of 2025, the House of Representatives concurring, that it is the intent of this body that projects with housing units that qualify for housing credits under Act 31 are still eligible to receive housing credits after the repeal of Act 31 if the housing projects were approved by the Hawaii Housing Finance and Development Corporation before July 1, 2031; and

BE IT FURTHER RESOLVED that the Hawaii Housing Finance and Development Corporation is requested to include the following in its approving action when approving a housing project that utilizes section 201H-38, Hawaii Revised Statutes, and qualifies for housing credits under Act 31:

- (1) A statement regarding an eligible developer's rights to receive housing credits;
- (2) The number of housing units that qualify to earn housing credits; and
- (3) The number of housing credits available to be earned; and

BE IT FURTHER RESOLVED that each county is requested to include the following in its approving action when approving a housing project that utilizes section 201H-38, Hawaii Revised Statutes and qualifies for housing credits under Act 31:

- (1) A statement regarding an eligible developer's rights to receive housing credits;



- 1 (2) The number of housing units that qualify to earn
- 2 housing credits; and
- 3
- 4 (3) The number of housing credits available to be earned;
- 5 and
- 6

7 BE IT FURTHER RESOLVED that certified copies of this
8 Concurrent Resolution be transmitted to the Executive Director
9 of the Hawaii Housing Finance and Development Corporation;
10 Mayors of the Counties of Hawaii, Maui, and Kauai; Mayor of the
11 City and County of Honolulu; Chairpersons of the Hawaii Maui,
12 and Kauai County Councils; and Chairperson of the Honolulu City
13 Council.

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OFFERED BY: _____

