

STAND. COM. REP. NO.

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Honolulu, Hawaii

FEB 03 , 2025

RE: H.B. No. 1086
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Housing, to which was referred H.B. No. 1086 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose of this measure is to exempt any development of homestead lots or housing for the Department of Hawaiian Home Lands from general excise and use taxes.

Your Committee received testimony in support of this measure from the Department of Hawaiian Home Lands; Gentry Homes, Ltd; LIMBY Hawai'i; and Hoomana Pono, LLC. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that the Department of Hawaiian Home Lands has several projects funded via capital improvement projects or through Act 279, Session Laws of Hawaii 2022, that are underway or in the pipeline for construction. Your Committee further finds that this measure could provide a significant sum of general excise tax cost savings for the Department of Hawaiian Home Lands that could be utilized to develop more homestead lots.

Your Committee has amended this measure by:

2025-1176 HB1086 HD1 HSCR HMSO



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- (1) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (2) 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. 1086, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1086, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.

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

LAC

LUKE A. EVSLIN, Chair



