STAND. COM. REP. NO. 737

Honolulu, Hawaii

## FEB 2 7 2025

RE: S.B. No. 38 S.D. 2

Honorable Ronald D. Kouchi President of the Senate Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 38, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose and intent of this measure is to prohibit the legislative body of a county from making modifications or imposing conditions to housing development proposals that would increase the cost of the project.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Kalihi Palama Neighborhood Board No. 15, Grassroot Institute of Hawaii, and Maui Chamber of Commerce.

Your Committee received testimony in opposition to this measure from the Department of Planning and Permitting of the City and County of Honolulu, Lāhainā Strong, Hawaii's Thousand Friends, LIMBY Hawai'i, HI Good Neighbor, one member of the Maui County Council, and five individuals.

Your Committee finds that the State's acute housing shortage is often exacerbated by state and county housing regulations. Your Committee further finds that modifications or conditions imposed by a county can dramatically inflate the cost of a housing development. Additionally, research done at the University of



Hawai'i estimated that regulations comprise fifty-eight percent of new condominium construction costs. By reducing the restriction power of county legislative bodies over state-approved affordable housing projects, this measure will significantly decrease overall project development costs.

Accordingly, your Committee has amended this measure by inserting an effective date of April 23, 2057, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 38, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 38, S.D. 2.

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

KARL RHOADS, Chair

## The Senate Thirty-Third Legislature State of Hawai'i

## Record of Votes Committee on Judiciary JDC

Bill / Resolution No.:*	Committee Referral:		Da	Date:	
SB 38, SDI	HOU, JOC		2	2/20125	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
RHOADS, Karl (C)		<b>✓</b>			
GABBARD, Mike (VC)					\
CHANG, Stanley		V			
SAN BUENAVENTURA, Joy A.		/			
AWA, Brenton					
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		<u> </u>			
TOTAL		3		1	١
Recommendation:  Adopted  Not Adopted					
Chairle ar Degirnes's Signature:					
Chair's or Designee's Signature:					
Distribution: Original File with Committee R	<u> </u>		Pink Goldenrod rafting Agency Committee File Copy		

<sup>\*</sup>Only one measure per Record of Votes