

Honolulu, Hawaii
Feb 17, 2006

RE: H.B. No. 3119
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committees on Water, Land, & Ocean Resources and
Housing, to which was referred H.B. No. 3119 entitled:

"A BILL FOR AN ACT RELATING TO CONVEYANCE TAX,"

beg leave to report as follows:

The purpose of this bill is to support the development of
affordable rental housing by increasing the amount allocated from
the conveyance tax to the Rental Housing Trust Fund (RHTF) from 30
to 65 percent.

The Office of the Governor, Department of Taxation, Housing
and Community Development Corporation of Hawaii, Hawaii
Association of Realtors, Affordable Housing and Homeless Alliance,
and several concerned individuals testified in support of this
bill. The Nature Conservancy of Hawaii supported the intent of
this measure. The Sierra Club, Hawaii Chapter and Tax Foundation
of Hawaii offered comments.

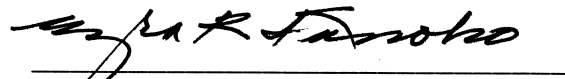
Your Committees have amended this bill by leaving the
percentage of the conveyance tax allocated to RHTF blank to
encourage further discussion.



As affirmed by the records of votes of the members of your Committees on Water, Land, & Ocean Resources and Housing that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 3119, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 3119, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committees on Water, Land, &
Ocean Resources and Housing,


MICHAEL P. KAHIKINA, Chair


EZRA R. KANOHO, Chair



