

STAND. COM. REP. NO. 2446

Honolulu, Hawaii

FEB 17, 2006

RE: S.B. No. 2318
S.D. 1

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Housing,
to which was referred S.B. No. 2318 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purposes of this measure are to:

- (1) Allow funds from the rental housing trust fund to be used for projects for families who earn up to one hundred forty percent of the area median income;
- (2) Broaden the requirements on developers to provide a reasonable number of lower income housing units; and
- (3) Allow special purpose revenue bonds to be issued for the development of low and moderate income housing by private organizations.

Testimony in support of the measure was submitted by the Office of the Governor, the Housing and Community Development Corporation of Hawaii, the Vice Chair of the Maui County Council, the Land Use Research Foundation of Hawaii, Hawaii Reserves, Inc., the Hawaii Association of Realtors, and an individual. The Affordable Housing and Homeless Alliance, Catholic Charities Hawaii, and Partners in Care supported increased funding for affordable housing through special purpose revenue bonds, and opposed the remainder of the measure. Hawaii Habitat for Humanity

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and a homeless services and research consultant submitted testimony in opposition. Three individuals offered comments.

Your Committee finds that providing increased funding for affordable housing in Hawaii is a critical need that is addressed by another omnibus measure. Accordingly, your Committee has deleted the part of this measure relating to special purpose revenue bonds with the intent that it be inserted into S.B. No. 2999, S.D. 1.

Your Committee further finds that many income groups in Hawaii's population have an urgent need for affordable housing, but the matter of targeting state assistance to the neediest groups deserves further consideration. Accordingly, your Committee has deleted the provision that broadened the requirements on developers to provide a reasonable number of lower income housing units, with the intent that it be inserted into S.B. No. 2999, S.D. 1.

Your Committee has changed the effective date of the measure to July 1, 2050, to facilitate further discussion, and has also made technical, nonsubstantive amendments.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2318, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2318, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Housing,



RON MENOR, Chair



