

STAND. COM. REP. NO. 1104 -08

Honolulu, Hawaii  
March 14, 2008

RE: S.B. No. 3165  
S.D. 2

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Sir:

Your Committee on Transportation, to which was referred S.B. No. 3165, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this bill is to encourage the development of affordable rental housing and other services, programs, and facilities, including community health care facilities, within a mixed-use transit-oriented joint development project by exempting these projects from the general excise tax.

The Hawaii Association of REALTORS and Hawaii Alliance for Community-Based Economic Development testified in support of this bill. The Hawaii Housing Finance and Development Corporation (HHFDC) supported the intent of this measure. The Department of Taxation opposed this bill. The Department of Planning and Permitting of the City and County of Honolulu provided comments.

With the expected development of Honolulu's mass transit system, transit-oriented development along the transit route that takes into consideration and meets the different needs and concerns of the communities affected is of the utmost importance. Through thoughtful, deliberate, and careful planning, access to and development of affordable housing, senior care centers, health



care centers and medical facilities, and other modes of transportation are just some of the factors that can lead to revitalized and sustainable communities along this corridor.

While your Committee recognizes of the concerns raised regarding this measure and agrees that passage of this bill may be premature given the fact that the City and County of Honolulu has only recently begun its transit-oriented development program, this measure follows a forward-thinking approach that attempts to promote careful and coordinated development and thus deserves further consideration and discussion.

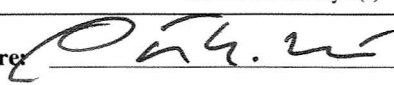
As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3165, S.D. 2, and recommends that it pass Second Reading and be referred to the Committees on Human Services & Housing and Health.

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

  
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JOSEPH M. SOUKI, Chair



Record of Votes of the Committee on Transportation

<b>Bill/Resolution No.:</b> SB 3165	<b>Committee Referral:</b> TRN, HSH/HLT, FIN	<b>Date:</b> 10 MARCH 2008		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input checked="" type="checkbox"/> Pass, unamended (as is) <sup>572</sup> <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
<b>TRN Members</b>	<b>Ayes</b>	<b>Ayes (WR)</b>	<b>Nays</b>	<b>Excused</b>
1. SOUKI, Joseph M. (C)	/			
2. NISHIMOTO, Scott Y. (VC)	/			
3. EVANS, Cindy	/			
4. HAR, Sharon E.				/
5. LEE, Marilyn B.	/			
6. LUKE, Sylvia	/			/
7. McKELVEY, Angus L.K.				/
8. NAKASONE, Bob				/
9. SONSON, Alex M.				/
10. TAKAMINE, Dwight Y.	/			
11. TAKUMI, Roy M.				/
12. MEYER, Colleen Rose				/
13. PINE, Kymberly Marcos		/		
<b>TOTAL (13)</b>	<b>6</b>	<b>1</b>		<b>6</b>
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
<b>Vice Chair's or designee's signature:</b> 				
<b>Distribution:</b> Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office				