

STAND. COM. REP. NO. 741

Honolulu, Hawaii
March, 2009

RE: H.B. No. 1741
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1741 entitled:

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

begs leave to report as follows:

The purpose of this bill is to:

- (1) Suspend, from July 1, 2009, to June 30, 2015, the ten percent allocation of the conveyance tax paid into the Land Conservation Fund; and
- (2) Reduce, from July 1, 2009, to June 30, 2015, the conveyance tax allocation to:
 - (A) The Rental Housing Trust Fund from 30 percent to 15 percent; and
 - (B) The Natural Area Reserve Fund from 25 percent to 10 percent.

The Department of Taxation testified in support of this bill. The Office of Hawaiian Affairs, County of Hawaii Office of Housing and Community Development, City and County of Honolulu Department of Community Services, Trust for Public Land, Waianae Community Re-Development Corporation, Conservation Council for Hawaii, Coordinating Group on Alien Pest Species, Nature Conservancy, Hawaii Association of REALTORS, Mutual Housing Association of

HB1741 HD1 HSCR FIN HMS 2009-2536



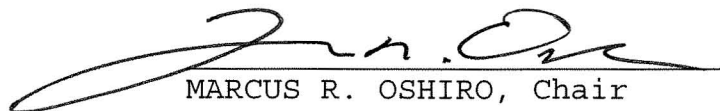
Hawaii, Inc., Hawaii Conservation Alliance Foundation, Pacific Housing Assistance Corporation, National Tropical Botanical Garden, North Shore Community Land Trust, Leeward Haleakala Watershed Restoration Partnership, Sierra Club, Hawaii Chapter, Wildlife Society - Hawaii Chapter, Kauai Public Land Trust, Maikai Kamakani O Kohala, Inc., Catholic Charities Hawaii, Hawaii Habitat for Humanity Association, Hawaii Family Forum, Hawaii Catholic Conference, Roman Catholic Church in the State of Hawaii, Malama Kahalawai, Inc., Partners In Care, Haleakala Ranch Company, Housing Hawaii, KAHEA, Waianae Community Outreach, Molokai Land Trust, Ulupalakua Ranch, Inc., E kupaku ka aina, and numerous concerned individuals opposed this measure. The Hawaii Housing Finance and Development Corporation, Department of Land and Natural Resources, County of Maui Department of Water Supply, and Tax Foundation of Hawaii offered comments.

Your Committee has amended this bill by:

- (1) Changing the effective date to July 1, 2020, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1741, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1741, H.D. 1, and be placed on the calendar for Third Reading.

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


MARCUS R. OSHIRO, Chair



