

STAND. COM. REP. NO. 45

Honolulu, Hawaii

FEB 6, 2009

RE: H.B. No. 77

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

Sir:

Your Committee on Transportation, to which was referred H.B. No. 77 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 housing, elder care services, and services for Hawaii's disadvantaged by exempting these projects from the general excise tax (GET) when they are established within a mixed-use transit-oriented joint development project.

The Hawaii Association of REALTORS testified in support of this bill. The Department of Taxation, Hawaii Housing Finance and Development Corporation, Department of Health, and Housing Hawaii testified in opposition to this measure. The Department of Planning and Permitting of the City and County of Honolulu submitted comments.

The City and County of Honolulu is currently developing a mass transit system that is expected to have an impact upon the communities it will serve and the areas through which it will pass. Your Committee finds that as mass transit is developed, an excellent opportunity will be presented to develop much needed services such as community health care centers and elderly care services, as well as affordable housing. Providing a GET exemption for development of these kinds of services and facilities within mixed-use transit-oriented development projects will encourage their development.

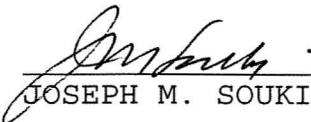
HB77 HSCR TRN HMS 2009-1697



While your Committee understands the concerns raised by various agencies that this may be a premature step as the planning details of the mass transit project have yet to be finalized, the impacts this measure may have deserve further consideration.

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 H.B. No. 77 and recommends that it pass Second Reading and be referred to the Committees on Housing and Health.

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

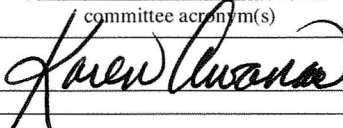


JOSEPH M. SOUKI, Chair



State of Hawaii
House of Representatives
The Twenty-fifth Legislature

Record of Votes of the Committee on Transportation

Bill/Resolution No.: HB 77	Committee Referral: TRN, HSG/HLT, FIN	Date: 2/2/2009		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input 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)				
TRN Members	Ayes	Ayes (WR)	Nays	Excused
1. SOUKI, Joseph M. (C)	✓			
2. AWANA, Karen Leinani (VC)	✓			
3. AQUINO, Henry J.C.	✓			
4. HANOHANO, Faye P.	✓			
5. KEITH-AGARAN, Gilbert S.C.	✓			
6. LEE, Marilyn B.	✓			
7. NAKASHIMA, Mark M.	✓			
8. RHOADS, Karl	✓			
9. SAIKI, Scott K.	✓			
10. TAKUMI, Roy M.	✓			
11. YAMASHITA, Kyle T.	✓			
12. PINE, Kymberly Marcos		✓		
TOTAL (12)	11	1		
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>_____ committee acronym(s)</small>				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				