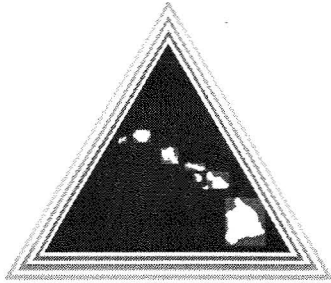


**Sovereign Councils  
of the**



**Hawaiian Homelands  
Assembly**

---

1050 Queen St. Suite 200  
Honolulu, Hawai'i 96814  
Ph: (808) 529-1627  
Fax: (808) 357-3556

---

Kamaki Kanahale  
Chair  
O'ahu

Leah K. Pereira  
Vice-Chair  
Kaua'i

Louise M. Bush  
Secretary  
Moloka'i

M. Kanani Kapuniai  
Treasurer  
Hawai'i

Rev. N. Tasha Kama  
Executive Officer  
Maui

Richard Soo  
Executive Director

# LATE TESTIMONY

March 17, 2009

To: **Rep. Rida Cabanilla, Chair**  
**Rep. Roland Sagum, Vice Chair & Members of the**  
**Committee on Housing**  
**Rep. Ken Ito, Chair**  
**Rep. Sharon Har, Vice Chair & Members of the**  
**Committee on Water, Land & Ocean Resources**

From: **Kali Watson**  
**Chairman of Statewide Economic Development Committee**  
**SCHHA**

Re: **Hearing on SB -1277 SD2 Relating to Affordable Housing**  
**Omnibus Bill**  
March 18, 2009 at 9:00 am  
Conference Room 325, State Capitol

## TESTIMONY IN SUPPORT

Dear Chairs Cabanilla and Ito, Vice-Chairs Sagum and Har and Members:

Thank you for the opportunity to provide testimony in support to SB 1277 SD2-relating to the Affordable Housing Omnibus Bill. This bill creates various incentives for the development of affordable housing, most of which can be used on DHHL projects. Creating a self-help trust fund for loans and grants for pre and development "sweat equity" projects, increasing the RHTF percentage from 30% to 45% of conveyance tax revenues, reducing the "credit period" from 10 to 5 years, and a mortgage credit certificate for new homeowners are all proven methods to increase affordable housing. With the waiting lists for DHHL beneficiaries increasing and the need for various types of housing, passage of this bill would help tremendously. As a nonprofit developer and past Director of DHHL, I can personally attest to the critical need for such incentives.

The Sovereign Councils of the Hawaiian Homelands Assembly, formerly the State Council of Hawaiian Homestead Associations was founded more than 20 years ago to unite homestead communities and to advocate for the beneficiaries of the Hawaiian Homes Commission Act of 1921. The SCHHA is the oldest statewide advocacy organization representing the interests of more than 30,000 beneficiaries and families residing in the communities of the Hawaiian Home Land Trust. Its mission is to promote the self determination of native Hawaiians and the well being of homestead communities. I urge you to please pass this measure, SB 1277 SD2.

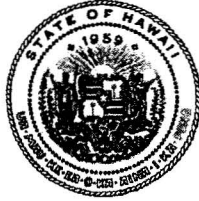
Sincerely,

A handwritten signature in black ink that reads "Kali Watson". The signature is written in a cursive, flowing style.

Kali Watson  
Chairman of Economic Development

# LATE TESTIMONY

LINDA LINGLE  
GOVERNOR OF HAWAII



**STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

**Testimony of  
LAURA H. THIELEN  
Chairperson**

**Before the Senate Committees on  
HOUSING  
and  
WATER, LAND & OCEAN RESOURCES**

**Wednesday, March 18, 2009  
9:00 AM  
State Capitol, Conference Room 325**

**In consideration of  
SENATE BILL 1277 SENATE DRAFT 2  
RELATING TO HOUSING**

The purpose of Senate Bill 1277 Senate Draft 2 is to increase incentives for the development of affordable housing in Hawaii. This Bill would also change the amount of the Conveyance Tax revenues that are deposited into the General Fund from 35% to 20%, while potentially increasing overall revenue by raising the tax rate. The Department of Land and Natural Resources' (Department) comments are restricted to SECTION 5 of this Bill which would amend section 247-7(3), Hawaii Revised Statutes, to lower the Conveyance Tax percentage deposited into the Natural Area Reserve Fund (NARF) from 25% to 20%, but creates higher tax rates and potential Conveyance Tax revenue from high-end property transactions.

While the Department acknowledges the importance of affordable housing, the Department would be concerned if the combined action of reducing the NARF proportion of the Conveyance Tax coupled with increased tax rates for higher-end sales resulted in lowered revenues into the NARF. A decrease in overall revenues going into the NARF would further impact environmental programs that are already facing a 50% reduction in revenue in the current economic and fiscal environment.

LAURA H. THIELEN  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT

RUSSELL Y. TSUJI  
FIRST DEPUTY

KEN C. KAWAHARA  
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS