

STAND. COM. REP. NO.

693

Honolulu, Hawaii

MAR 06 2009

RE: S.B. No. 1118
S.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 1118, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LOW-INCOME HOUSING,"

begs leave to report as follows:

The purpose of this measure is to reduce the period over which state low-income housing tax credits are taken from ten years to five years.

Your Committee received two written comments on this measure. The written comments may be reviewed on the Legislature's website.

Your Committee finds that the low-income housing tax credit program promotes the development and rehabilitation of low-income rental housing through the use of federal and state low-income housing tax credits. Currently, there is a shortage of affordable housing in the State.

Your Committee believes that because of the limited market for state credits and the current financial climate, owner developers are having difficulty selling their state low-income housing tax credits. Amending the period over which state low-income housing tax credits are taken from ten years to five years would increase the present value of the credits when sold to investors, provide a more attractive financing incentive to potential developers of affordable rental housing, and help ease the affordable housing shortage.



Your Committee has amended the measure's effective date to January 1, 2110, to facilitate further discussion. In addition, technical nonsubstantive changes were made for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1118, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1118, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

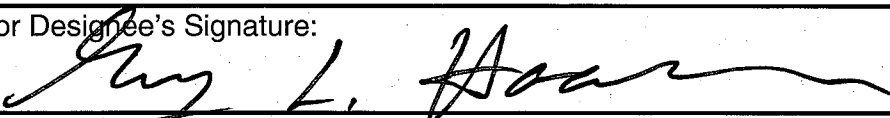


DONNA MERCADO KIM, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 1118, SDI	Committee Referral: EDH, WAM	Date: FEB 27, 2009		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KIM, Donna Mercado (C)	✓			
TSUTSUI, Shan S. (VC)				✓
CHUN OAKLAND, Suzanne	✓			
ENGLISH, J. Kalani	✓			
FUKUNAGA, Carol	✓			
GALUTERIA, Brickwood				✓
HEE, Clayton	✓			
HOOSER, Gary L.	✓			
KIDANI, Michelle N.	✓			
KOKUBUN, Russell S.				✓
TOKUDA, Jill N.	✓			
HEMMINGS, Fred	✓			
TOTAL	9			3
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes