

STAND. COM. REP. NO.

2226

Honolulu, Hawaii

FEB 12 2010

RE: S.B. No. 2592
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Madam:

Your Committee on Education and Housing, to which was referred S.B. No. 2592 entitled:

"A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX,"

begs leave to report as follows:

The purpose of this measure is to allow a general excise tax exemption to qualified persons or firms who receive rental income on newly constructed or moderately or substantially rehabilitated housing projects from households that meet certain residency and annual income criteria.

Testimony in support of this measure was submitted by one private organization and one individual. Testimony in opposition of this measure was submitted by one state agency and two private organizations. Comments on this measure were submitted by one state agency. Written testimony presented to the Committee may be reviewed on the Legislature's website.

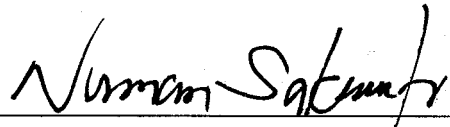
Your Committee finds that during the current economic recession that is being experienced by the State, this measure would provide a financial incentive to developers and owners of rental units for low and moderate income renters and for homeowners residing in new or substantially rehabilitated homes. Your Committee also finds that this measure will help to clear up some of the ambiguity in how general excise tax exemptions apply to developers and renters of affordable housing under chapter 201H, Hawaii Revised Statutes.



Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on this measure.

As affirmed by the record of votes of the members of your Committee on Education and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2592, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2592, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Education and
Housing,



NORMAN SAKAMOTO, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Education and Housing
EDH

Bill / Resolution No.:* SB 2592	Committee Referral: EDH, WAM	Date: 2-10-10		
<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
SAKAMOTO, Norman (C)	/			
KIDANI, Michelle N. (VC)		/		
CHUN OAKLAND, Suzanne	/			
GALUTERIA, Brickwood		/		
TSUTSUI, Shan S.		/		
HEMMINGS, Fred				/
TOTAL	2	3		1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:right; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes