

STAND. COM. REP. NO.

2995

Honolulu, Hawaii

MAR 23 2012

RE: H.B. No. 1306
H.D. 2
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Water, Land, and Housing, to which was referred H.B. No. 1306, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose and intent of this measure is to provide for the development of affordable housing in a transparent and fiscally responsible manner by:

- (1) Deleting language allowing county affordable housing projects to have the same general excise tax and receipt tax exemptions as the Hawaii Housing Finance and Development Corporation (HHFDC);
- (2) Requiring all general excise tax exemption claims to be filed with the HHFDC and reviewed by HHFDC and the Department of Taxation prior to certification;
- (3) Requiring renewal certification every four years and an audit of each certification; and
- (4) Requiring an annual report to the Legislature of all the tax exemptions.

Prior to the hearing, your Committee posted a proposed S.D. 1 of this measure that increases the Hula Mae multifamily program revenue bond authorization from \$500,000,000 to \$750,000,000.



Your Committee received testimony in support of the proposed S.D. 1 from the Hawaii Housing and Finance Development Corporation and Kauai County Housing Agency. Your Committee received comments on the proposed S.D. 1 from the City and County of Honolulu Office of Housing.

Your Committee finds that the Hula Mae multifamily program has been a successful financing tool to support affordable housing and that additional bond authority is necessary to ensure its continued use.

Accordingly, your Committee has amended this measure by adopting the provisions of the proposed S.D. 1.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1306, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1306, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

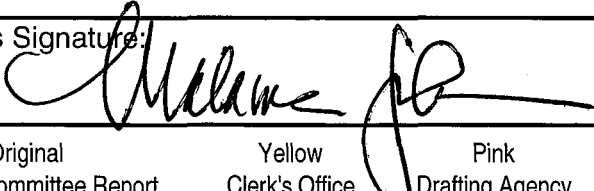
Respectfully submitted on
behalf of the members of the
Committee on Water, Land, and
Housing,


DONOVAN M. DELA CRUZ, Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Water, Land and Housing
WLH

Bill / Resolution No.:*	Committee Referral:	Date:		
HB1306 HD2 SD1	WLH, WAM	3-22-12		
<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
DELA CRUZ, Donovan M. (C)	✓			
SOLOMON, Malama (VC)	✓			
FUKUNAGA, Carol				✓
RYAN, Pohai	✓			
SHIMABUKURO, Maile	✓			
TOKUDA, Jill N.				✓
SLOM, Sam				✓
TOTAL	4			3
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes