

Honolulu, Hawaii

March 4, 2011

RE: H.B. No. 808
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 808 entitled:

"A BILL FOR AN ACT RELATING TO THE CONVEYANCE TAX,"

begs leave to report as follows:

The purpose of this bill is to address the current fiscal needs of the State by:

- (1) Temporarily suspending the distribution of a portion of the conveyance tax to the Land Conservation Fund and Rental Housing Trust Fund; and
- (2) Reducing the percentage of conveyance tax distributed to the Natural Area Reserve Fund.

The Department of Human Services; Office of Planning; Hawaii Housing Finance and Development Corporation; Department of Community Services of the City and County of Honolulu; Hawaii Habitat for Humanity; Kauai Watershed Alliance; Grove Farm Company, Incorporated; Partners in Care; KAHEA: The Hawaiian-Environmental Alliance; West Maui Mountains Watershed Partnership; Castle & Cooke Hawaii; Maui Land & Pineapple Company, Inc.; Office of Hawaiian Affairs; Haleakala Ranch Company; EAH Housing; Catholic Charities Hawaii; The Mutual Housing Association of Hawaii, Inc.; Stanford Carr Development, LLC; Maui Invasive Species Committee; Conservation Council for Hawaii; Roman Catholic Church in the State of Hawaii; Oahu Invasive Species Committee;



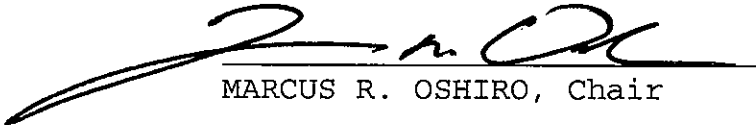
The Trust for Public Land's Hawaiian Islands Program; Coordinating Group on Alien Pest Species; The Nature Conservancy of Hawaii; Hawaii Island Community Development Corporation; Social Justice Council of the First Unitarian Church of Honolulu; Maikai Kamakani O Kohala, Incorporated; Maui Grown Coffee, Inc.; Hana Ranch Partners, LLC; Hawaiian Islands Land Trust; and numerous concerned individuals testified in opposition to this bill. The Department of Land and Natural Resources, Department of Taxation, and Tax Foundation of Hawaii provided comments.

Your Committee has amended this bill by:

- (1) Deleting language that temporarily suspends the distribution of a portion of the conveyance tax to the Rental Housing Trust Fund and reduces the percentage of conveyance tax distributed to the Natural Area Reserve Fund; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 808, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 808, H.D. 1, and be placed on the calendar for Third Reading.

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



MARCUS R. OSHIRO, Chair



