

Honolulu, Hawaii

March 23, 2012

RE: S.B. No. 3025
S.D. 2
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committees on Housing and Hawaiian Affairs, to which was referred S.B. No. 3025, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING CREDITS,"

beg leave to report as follows:

The purpose of this measure is to clarify that the issuance of affordable housing credits by the counties to the Department of Hawaiian Home Lands applies to the issuance of credits for each single-family residence, multi-family unit, other residential unit, or if allowed under the county's affordable housing program, vacant lot, developed by the Department of Hawaiian Home Lands, under specified conditions and requirements.

The Department of Hawaiian Home Lands, Pacific Resource Partnership, and Dowling Company, Inc. testified in support of this measure. The Department of Planning and Permitting of the City and County of Honolulu, County of Kauai, Office of Housing and Community Development of the County of Hawaii, a member of Kauai County Council, and two members of Maui County Council testified in opposition to this measure.

Your Committees have amended this measure by:

- (1) Authorizing, rather than requiring, that affordable housing credits be issued for each single-family residence, multi-family unit, or other residential unit,



or if allowed under the county's affordable housing programs, vacant lot, developed by the Department of Hawaiian Home Lands;

- (2) Specifying that with respect to affordable housing units or lots developed by the Department of Hawaiian Home Lands and treated as for-sale units or lots, the land shall be leased in perpetuity;
- (3) Repealing statutory text regarding the transferability and issuance of affordable housing credits on a one-unit for one-unit basis;
- (4) Amending the criteria in which affordable housing credits may be issued;
- (5) Specifying that affordable housing credits under section 46-15.1(b), Hawaii Revised Statutes, shall apply only to Department of Hawaiian Home Lands households earning 120 percent or lower of the respective county median income;
- (6) Amending the county-wide or project-specific requirements;
- (7) Deleting provisions regarding exemption from county restrictions for credits originally issued to the Department of Hawaiian Home Lands;
- (8) Establishing a repeal date of June 30, 2015; and
- (9) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Housing and Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3025, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3025, S.D. 2, H.D. 1, and be referred to the Committee on Finance.



Respectfully submitted on
behalf of the members of the
Committees on Housing and
Hawaiian Affairs,



FAYE HANOHANO, Chair



RIDA T.R. CABANILLA, Chair



State of Hawaii
House of Representatives
The Twenty-sixth Legislature

HSCR 1295-12


Record of Votes of the Committee on Housing

Bill/Resolution No.: SB 3025 SD 2	Committee Referral: HSG/HAW, FIN	Date: 3/21/12		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HSG Members	Ayes	Ayes (WR)	Nays	Excused
1. CABANILLA, Rida T.R. (C)	✓			
2. ITO, Ken (VC)	✓			
3. CARROLL, Mele	✓			
4. CHANG, Jerry L.	✓			
5. COFFMAN, Denny	✓			
6. HAR, Sharon E.	✓			
7. HERKES, Robert N.				✓
8. KAWAKAMI, Derek S.K.				✓
9. NAKASHIMA, Mark M.	✓			
10. PINE, Kymberly Marcos	✓			
11. THIELEN, Cynthia				✓
TOTAL (11)	8			3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ committee acronym(s) _____ did not support recommendation.				
Vice Chair's or designee's signature: _____				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				

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HAW Members	Ayes	Ayes (WR)	Nays	Excused
1. HANOHANO, Faye P. (C)	✓			
2. LEE, Chris (VC)	✓			
3. BELATTI, Della Au				✓
4. JORDAN, Jo		✓		
5. MIZUNO, John M.				✓
6. MORIKAWA, Dee		✓		
7. WOOLEY, Jessica				✓
8. YAMANE, Ryan I.	✓			
9. PINE, Kymberly Marcos	✓			
10. WARD, Gene				✓
TOTAL (10)	4	2		4
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: 				
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