

Honolulu, Hawaii

February 6, 2013

RE: H.B. No. 227
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Sir:

Your Committee on Ocean, Marine Resources, & Hawaiian
Affairs, to which was referred H.B. No. 227 entitled:

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

begs leave to report as follows:

The purpose of this measure is to foster good working
relationships between the Department of Hawaiian Homelands and the
counties with respect to the development of affordable housing.

More specifically, this measure:

- (1) Authorizes the issuance of affordable housing credits
upon mutual agreement of a county and the Department of
Hawaiian Home Lands;
- (2) Repeals the mandate that the counties issue affordable
housing credits to the Department of Hawaiian Home Lands
for the development of vacant lots; and
- (3) Repeals the provision that prohibits county affordable
housing requirements from impairing the county's
obligation to apply the credits in full satisfaction of
all county requirements.

The Chair and two members of the Kauai County Council, the
Department of Planning and Permitting of the City and County of
Honolulu, the Kauai County Housing Agency, and one concerned



individual testified in support of this measure. The Department of Hawaiian Home Lands and one concerned individual testified in opposition to this measure. The Department of the Attorney General submitted comments on the measure.

Your Committee finds that Act 141, Session Laws of Hawaii 2009, and Act 98, Session Laws of Hawaii 2012, require counties to issue affordable housing credits to the Department of Hawaiian Home Lands for all existing and future Hawaiian home lands projects upon request, while releasing the department from any income or other requirements attached to a respective county's affordable housing credits.

Your Committee also finds that the relationship between the Department of Hawaiian Home Lands and the respective counties established by these Acts does not encourage the kind of working relationship between the counties and the department that is necessary to effectively address the affordable housing problem in each county. Your Committee supports efforts by the County of Kauai and the Department of Hawaiian Home Lands to work together to resolve this issue.

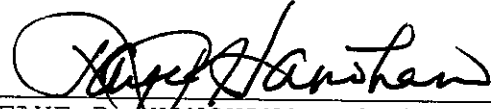
Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2013; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 227, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 227, H.D. 1, and be referred to the Committee on Housing.



Respectfully submitted on
behalf of the members of the
Committee on Ocean, Marine
Resources, & Hawaiian Affairs,



FAYE P. HANOHANO, Chair



