

STAND. COM. REP. NO. 3314

Honolulu, Hawaii

APR 04 2014

RE: H.B. No. 2059
H.D. 2
S.D. 2

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 2059, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose and intent of this measure is to amend the percentage of the conveyance tax revenue paid into the rental housing trust fund to fifty per cent after June 30, 2014.

In addition, this measure provides for an appropriation to and from the rental housing trust fund to the Hawaii Housing Finance and Development Corporation for the increase of affordable rental housing units.

Your Committee received written comments in support of this measure from the Hawaii Housing Finance and Development Corporation; Living Life Source Foundation; Catholic Charities Hawaii; Catholic Charities Hawaii - Office of Social Ministry; Hawaii Appleseed Center for Law and Economic Justice; Partners in Care; PHOCUSED; Community Alliance for Mental Health; Helping Hands Hawaii; Ho'omoana Foundation; and four individuals. The Department of Budget and Finance; the Department of Land and Natural Resources; The Chamber of Commerce of Hawaii; and the Tax Foundation of Hawaii submitted written comments on the measure.




Your Committee finds that there is a shortage of affordable rental housing units in the State, which has contributed to an increased rate of homelessness. This has prevented many families from receiving basic nutritional and living needs and threatened the security of low-income families at risk of being homeless. Your Committee further finds that the rental housing trust fund is not able to fund many qualified projects due to the lack of funds and that an increase in the conveyance tax percentage paid into the fund will help provide more affordable housing. Your Committee believes that this measure reflects the importance of the rental housing trust fund in addressing the growing need to provide Hawaii families with access to affordable housing.

Your Committee has amended this measure by:

- (1) Changing the percentage of the conveyance tax revenue paid into the rental housing trust fund from fifty per cent to an unspecified amount; and
- (2) Changing the appropriation amounts from \$1 to unspecified amounts to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2059, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2059, H.D. 2, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DAVID Y. IGE, Chair



