

STAND. COM. REP. NO.

2095

Honolulu, Hawaii

FEB 06 2014

RE: S.B. No. 2542

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

Madam:

Your Committee on Human Services, to which was referred S.B. No. 2542 entitled:

"A BILL FOR AN ACT RELATING TO THE DISPOSITION OF THE CONVEYANCE TAX COLLECTIONS TO THE RENTAL HOUSING TRUST FUND,"

begs leave to report as follows:

The purpose and intent of this measure is to restore the allocation of conveyance tax collections to the rental housing trust fund to fifty percent.

Your Committee received testimony in support of this measure from the Department of Human Services, Hawaii Housing Finance and Development Corporation, Partners in Care, Catholic Charities Hawaii, Institute for Human Services, Blueprint for Change, Hawaii Appleseed Center for Law and Economic Justice, PHOCUSED, Hawaii Association of REALTORS, Land Use Research Foundation of Hawaii, Community Alliance for Mental Health, and two individuals. Your Committee received testimony in opposition to this measure from The Chamber of Commerce of Hawaii and one individual. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the creation of more affordable rental housing is critical to Hawaii's future. Rent costs have increased more than forty-five percent in Hawaii since 2005, and almost seventy-five percent of extremely low income households are spending more than half of their income on rent. Rising housing costs are associated with increased homelessness and families at risk of becoming homeless, with almost fourteen thousand

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individuals in the State experiencing homelessness or being at risk of losing their housing during the 2012 fiscal year. Your Committee further finds that restoring funding to the rental housing trust fund to fifty percent of state conveyance tax collections will increase the amount of funds available to be leveraged to build more affordable housing. Testimony on this measure indicates that increasing the allocation of conveyance tax collections to the rental housing trust fund to fifty percent would yield an additional \$10,800,000 per year.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2542 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.


Respectfully submitted on
behalf of the members of the
Committee on Human Services,


SUZANNE CHUN OAKLAND, Chair



The Senate
 Twenty-Seventh Legislature
 State of Hawai'i

Record of Votes
Committee on Human Services
HMS

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2542	HMS, WAM	JAN. 27, 2014		
<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 checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
CHUN OAKLAND, Suzanne (C)	✓			
GREEN, Josh (VC)	✓			
KIDANI, Michelle N.				✓
TANIGUCHI, Brian T.	/			
SLOM, Sam				✓
TOTAL	3	0	0	2
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