STAND. COM. REP. NO. 59 -16

Honolulu, Hawaii Febrary II, 2016

RE: H.B. No. 2771 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B. No. 2771 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING DEVELOPMENT,"

begs leave to report as follows:

The purpose of this measure is to require housing project developers who receive tax and other exemptions for a housing development project and fail to complete the project to pay a penalty of no less than the tax exemption amount and comply with any statute, ordinance, charter provision, or rule from which the project would have been exempt under section 201H-38, Hawaii Revised Statutes.

The Department of Taxation and Hawaii Housing Finance and Development Corporation provided comments on the measure.

Your Committee has amended this measure by:

- Changing the effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.



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As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2771, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2771, H.D. 1, and be referred to your Committee on Judiciary.

> Respectfully submitted on behalf of the members of the Committee on Housing,

Chair

SHEM,



State of Hawaii House of Representatives The Twenty-eighth Legislature

Record of Votes of the Committee on Housing

| Bill/Resolution No.: Committee  | e Referral:  | Th Date   | 2/8/ | 16      |
|---|--------------|-----------|------|---------|
| The committee is reconsidering its previous decision on the measure.  |              |           |      |         |
| The recommendation is to:  Image: Pass, unamended (as is)  Image: Pass, with amendments (HD)  Image: Hold    Image: Pass short form bill with HD to recommit for future public hearing (recommit) |              |           |      |         |
| HSG Members   | Ayes         | Ayes (WR) | Nays | Excused |
| 1. HASHEM, Mark J. (C)  |              |           |      |         |
| 2. JORDAN, Jo (VC)  | $\checkmark$ |           |      |         |
| 3. BELATTI, Della Au  |              |           |      |         |
| 4. CREAGAN, Richard P.  |              |           |      | V       |
| 5. KOBAYASHI, Bertrand  | V            |           |      |         |
| 6. MORIKAWA, Dee  |              |           |      |         |
| 7. OSHIRO, Marcus R.  |              |           |      |         |
| 8. FUKUMOTO CHANG, Beth   | $\checkmark$ |           |      |         |
|   |              |           |      |         |
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|   |              |           |      |         |
|   |              |           |      |         |
| TOTAL (8)   | 6            | Ð         | Ð    | 2       |
| The recommendation is:  Adopted  Not Adopted    If joint referral,  |              |           |      |         |
| Vice Chair's or designee's signature:   |              |           |      |         |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO  |              |           |      |         |