

Honolulu, Hawaii

FEB 18 2016

RE: S.B. No. 2300
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Housing, to which was referred S.B.
No. 2300 entitled:

"A BILL FOR AN ACT RELATING TO THE LOW INCOME-HOUSEHOLD
RENTERS CREDIT,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Increase the maximum value of the low-income household renter's income tax credit to \$150 per qualified exemption for households;
- (2) Adjust the income threshold to allow households with an adjusted gross income of less than \$60,000 to claim the credit; and
- (3) For each taxable year beginning after December 31, 2016, increase the amount of the credit, income threshold amount, and minimum amount paid in rent to qualify for the credit by doubling and adjusting each amount for inflation.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs; Americans for Democratic Action Hawaii; PHOCUSED; Hawaii Appleseed Center for Law and Economic Justice; League of Women Voters; American Association of University Women, Hawaii; Hawaii Women's Coalition; The CHOW Project; Hawaii Children's Action Network; and one individual.



Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that the low income-household renters credit is designed to assist many of Hawaii's low- and moderate-income families with the high cost of rent in the State. However, the credit has not been updated to address today's costs. This measure would adjust the credit and its income and rent thresholds for inflation, providing meaningful relief for renter households that struggle to pay rent.

Your Committee has amended this measure by:

- (1) Deleting the definition of "consumer price index";
- (2) Deleting language that, for each taxable year beginning after December 31, 2016, would have allowed inflationary adjustments to the low income-household renters credit, income threshold amount, and minimum amount paid in rent; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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 S.B. No. 2300, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2300, S.D. 1, and be referred to your Committee on Ways and Means.

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



BREENE HARIMOTO, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Housing
HOU

Bill / Resolution No.:* SB2300	Committee Referral: HOU, WAM	Date: 2/19/16		
<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 type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
HARIMOTO, Breene (C)	✓			
GALUTERIA, Brickwood (VC)	✓			
GREEN, Josh	✓			
IHARA, Jr., Les	✓			
TANIGUCHI, Brian T.				✓
WAKAI, Glenn	✓			
SLOM, Sam				✓
TOTAL	5	0	0	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes