

Honolulu, Hawaii

APR 29 2016

RE: S.B. No. 2561
S.D. 2
H.D. 1
C.D. 1

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

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

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2561, S.D. 2, H.D. 1, entitled:

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

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to establish a rental housing strategy for the State by:

- (1) Establishing a goal of developing or committing to the development of at least 22,500 affordable rental housing units for occupancy by the end of 2026;
- (2) Establishing a temporary special action team on affordable rental housing, within the Office of Planning for administrative purposes, to make recommendations to achieve the affordable rental housing goal, including by



proposing an update to the State Planning Act to include the state housing plan;

- (3) Requiring the special action team on affordable rental housing to develop a ten-year plan, to be incorporated into the state housing plan, that identifies state, county, and private parcels of land suitable for affordable housing units; and
- (4) Appropriating funds for the special action team on affordable rental housing.

Your Committee on Conference finds that for the period from 2015 to 2025, Hawaii will require an additional 64,700 housing units to meet projected long-term housing demands. Of this amount, 22,247 households of all income levels will require rental units. The lack of supply leads to higher rents for households of all income levels, leaving all tenants with less disposable income, increasing the personal stress of tenants, reducing tenant quality of life, and exacerbating overcrowding and homelessness. Given these consequences, the lack of affordable rental housing requires the concentrated attention of state government at the highest level and the establishment of specific goals related to affordable rental housing. Therefore, it is necessary to establish a special action team that consists of those who are knowledgeable about affordable housing and prepared not only to identify benchmarks for progress, but also the barriers to progress and the possible solutions to overcome them, to ensure that the State achieves its housing goal.

Your Committee on Conference has amended this measure by:

- (1) Changing the composition of the special action team on affordable rental housing to specify that the public member will represent affordable housing advocacy groups, add a member of the public to represent non-profit developers with expertise in housing development, and add a member of the public to represent for-profit developers with expertise in housing development;
- (2) Clarifying that members who represent affordable housing advocacy groups, non-profit developers, or for-profit developers also may designate an officer or employee of the respective group to attend meetings;
- (3) Inserting an appropriation amount of \$100,000 for the administration and operation of the special action team on



rental housing, including staff, and to propose an update to the State Planning Act to include the state housing plan;

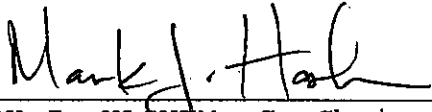
- (4) Changing the effective date to upon approval; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2561, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2561, S.D. 2, H.D. 1, C.D. 1.

Respectfully submitted on behalf of the managers:

ON THE PART OF THE HOUSE

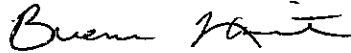
ON THE PART OF THE SENATE



MARK J. HASHEM, Co-Chair



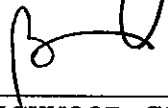
SYLVIA LUKE, Co-Chair



BREENE HARIMOTO, Chair



JILL N. TOKUDA, Co-Chair



BRICKWOOD GALUTERIA, Co-Chair



Record of Votes of a
Conference Committee

Bill / Concurrent Resolution No.: SB 2561, SD 2, HD 1					Date/Time: 4/27/16 10:09 a.m.				
<input checked="" type="checkbox"/> The recommendation of the House and Senate managers is to pass with amendments (CD).									
<input type="checkbox"/> The Committee is reconsidering its previous decision.									
<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
HARIMOTO, Breene, Chr.	✓				HASHEM, Mark J., Co-Chr.	✓			
TOKUDA, Jill N., Co-Chr.	✓				LUKE, Sylvia, Co-Chr.	✓			
GALUTERIA, Brickwood, Co-Chr.	✓				JORDAN, Jo	✓			
					MCDERMOTT, Bob				✓
TOTAL	3	-	-	-	TOTAL	3	-	-	1
A = Aye		WR = Aye with Reservations			N = Nay		E = Excused		
Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted					House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Senate Lead Chair's or Designee's Signature: <i>Breene Harimoto</i>					House Lead Chair's or Designee's Signature: <i>Mark J. Hashem</i>				
Distribution: Original Yellow Pink Goldenrod File with Conference Committee Report House Clerk's Office Senate Clerk's Office Drafting Agency									