

Honolulu, Hawaii

April 28, 2017RE: H.B. No. 1179
H.D. 2
S.D. 2
C.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 1179, H.D. 2, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO 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 improve the economics of building and operating rental housing in the State by:

- (1) Expanding the types of rental housing projects that can be exempt from general excise taxes; and
- (2) Allowing the terms of prevailing wages under contracts to develop affordable rental housing approved and certified by the Hawaii Housing Finance and Development Corporation (HHFDC) pursuant to section 201H-36(a)(5), Hawaii Revised Statutes (HRS), to be deemed the prevailing wages serving as the basis of compliance with chapter 104, HRS.



Your Committee on Conference has amended this measure by:

- (1) Effective from July 1, 2018, to June 30, 2022, authorizing HHFDC to exempt qualified persons or firms HHFDC has approved and certified to develop affordable rental housing from general excise taxes; provided that the allowable general excise tax and use tax costs apply to contracting only and do not exceed \$7,000,000 per year in the aggregate for all projects approved and certified by HHFDC;
- (2) Repealing redundant rulemaking authority in section 104-2(g), HRS;
- (3) Inserting a sunset date of June 30, 2022; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

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 H.B. No. 1179, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1179, H.D. 2, S.D. 2, C.D. 1.

Respectfully submitted on behalf
of the managers:

ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE



WILL ESPERO
Chair



TOM BROWER
Co-Chair



GILBERT S.C. KEITH-AGARAN
Co-Chair

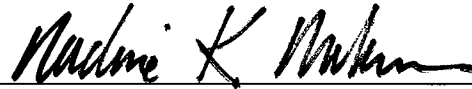


AARON LING JOHANSON
Co-Chair





MAILE S.L. SHIMABUKURO
Co-Chair



NADINE K. NAKAMURA
Co-Chair



Hawaii State Legislature

CCR 174

Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: HB 1179, HD 2, SD 2	Date/Time: 4.28.17 / 5:10pm
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The recommendation of the House and Senate managers is to pass with amendments (CD).


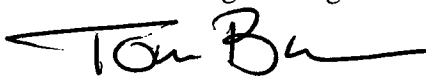
The Committee is reconsidering its previous decision.

<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.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
ESPERO, Will, Chr.	✓				BROWER, Tom, Co-Chr.	✓			
KEITH-AGARAN, Gilbert S.C., Co-Chr.				✓	JOHANSON, Aaron Ling, Co-Chr.	✓			
SHIMABUKURO, Maile S.L., Co-Chr.	✓				NAKAMURA, Nadine K., Co-Chr.	✓			
					MCDERMOTT, Bob				✓
TOTAL	2			1	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
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature: 
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