

STAND. COM. REP. NO. 499

Honolulu, Hawaii

FEB 17 2017

RE: S.B. No. 1169

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

Sir:

Your Committee on Housing, to which was referred S.B.  
No. 1169 entitled:

"A BILL FOR AN ACT RELATING TO THE LOW-INCOME HOUSING TAX  
CREDIT,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Specify that certain provisions of the Internal Revenue Code related to at-risk rules and deductions and to passive activity loss do not apply with respect to claims for the state low-income housing tax credit; and
- (2) Appropriate funds to establish one position in the Hawaii Housing Finance and Development Corporation to oversee the low-income housing tax credit program.

Your Committee received testimony in support of this measure from InState Partners and two individuals. Your Committee received comments on this measure from the Hawaii Housing Finance and Development Corporation, Department of Taxation, and Tax Foundation of Hawaii.

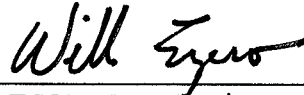
Your Committee finds that increasing access to affordable housing in Hawaii is a priority for the State. Your Committee further finds that current limitations on low-income housing tax credits exclude many individuals and small businesses from



participation. This measure will encourage investment in affordable housing development projects by expanding the pool of investors that may qualify for low-income housing tax credits.

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. 1169 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

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



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WILL ESPERO, Chair



The Senate  
 Twenty-Ninth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Housing**  
**HOU**

Bill / Resolution No.:* <b>SB 1169</b>	Committee Referral: <b>HOU, WAM</b>	Date: <b>2/14/17</b>		
<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
ESPERO, Will (C)	✓			
HARIMOTO, Breene (VC)	✓			
KAHELE, Kaiali'i				✓
KEITH-AGARAN, Gilbert S.C.	✓			
NISHIHARA, Clarence K.				✓
<b>TOTAL</b>	<b>3</b>			<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes