Honolulu, Hawaii

February 6 , 2018

RE: H.B. No. 2327 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Twenty-Ninth State Legislature Regular Session of 2018 State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B. No. 2327 entitled:

"A BILL FOR AN ACT RELATING TO LANDS CONTROLLED BY THE STATE,"

begs leave to report as follows:

The purpose of this measure is to exempt from statutory requirements for legislative approval the sale of the leased fee interest in certain affordable leasehold developments by the Hawaii Housing Finance and Development Corporation.

The Office of the Governor, Department of Business, Economic Development and Tourism, Hawaii Housing Finance and Development Corporation, and Land Use Research Foundation of Hawaii supported this measure. The Office of Hawaiian Affairs provided comments.

Your Committee finds that obtaining legislative approval for the fee simple sale of state lands is a lengthy and costly process for individual leasehold homeowners. This burden may be especially onerous when applied to the individual lessees of the lots and units not currently exempted from the approval requirement. These lessees have successfully achieved the purpose of a state program to provide affordable housing to lessees and allow them to purchase the fee interest in the property when they become able to do so. This measure will provide relief for those



homeowners and reduce the administrative burden of continually processing individual homes and condominiums in the same developments as homeowners become able to purchase the leased fee interest to their homes.

Your Committee has amended this measure by:

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

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. 2327, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2327, H.D. 1, and be referred to your Committee on Water & Land.

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

TOM BROWER, Chair



State of Hawaii House of Representatives The Twenty-ninth Legislature

Record of Votes of the Committee on Housing

Bill/Resolution No.: HB 2327	Committee Referral: HSG, WAL, FIN		Date: 2/1	Date: 2/1/18		
☐ The committee is reconsidering its previous decision on the measure.						
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)						
HSG Members	A	yes Ayes ((WR)	Nays I	Excused	
1. BROWER, Tom (C)	V	/				
2. NAKAMURA, Nadine K. (VC)						
3. AQUINO, Henry J.C.						
J. Hydro, nemy J.C.						
4. HASHEM, Mark J.						
5. QUINLAN, Sean					<u> </u>	
6. SAN BUENAVENTURA, Joy A		<u> </u>				
o. SAN DOENA VENTURA, Joy A						
7. MCDERMOTT, Bob			Address of the second of the s			
TOTAL (7)		6			1	
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)						
Vice Chair's or designee's signature:						
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO						