

Honolulu, Hawaii  
February 15, 2018

RE: H.B. No. 2441  
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. 2441 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose of this measure is to amend the conveyance tax rates for investment properties and properties valued at under two million dollars, and require that a portion of conveyance tax revenues be deposited into the Housing Finance Revolving Fund, which funds many of the Hawaii Housing Finance and Development Corporation's affordable housing financing programs.

The Hawaii Housing Finance and Development Corporation and Hawaii Association of REALTORS opposed this measure. The Department of Land and Natural Resources and Department of Taxation offered comments for this measure.

Your Committee finds that it is important to examine the conveyance tax as a possible source of funding support for affordable housing.

Your Committee has amended this measure by:

- (1) Specifying that the measure applies to taxable years beginning after December 31, 2018, to allow the



Department sufficient time to update their relevant forms and instructions;

- (2) Changing the effective date to January 1, 2050, to promote further discussion; and
- (3) 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. 2441, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2441, H.D. 1, and be referred to your Committee on Finance.

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



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TOM BROWER, Chair



