

STAND. COM. REP. NO.

667

Honolulu, Hawaii

February 17, 2017

RE: H.B. No. 487  
H.D. 1

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

Sir:

Your Committee on Housing, to which was referred H.B. No. 487  
entitled:

"A BILL FOR AN ACT RELATING TO THE CONVEYANCE TAX,"

begs leave to report as follows:

The purpose of this measure is to remove the dollar amount  
cap on conveyance tax proceeds that are paid into the Rental  
Housing Revolving Fund.

The Hawaii Association of Realtors testified in support of  
this measure. A concerned individual testified in opposition to  
this measure. The Hawaii Housing Finance and Development  
Corporation, Department of Budget and Finance, The Chamber of  
Commerce Hawaii, Building Industry Association of Hawaii, and Tax  
Foundation of Hawaii provided comments.

Your Committee notes the concerns raised by the Tax  
Foundation of Hawaii that continual earmarking of funds for  
various programs and purposes allows the expenses from these funds  
to avoid legislative scrutiny, thus making it difficult to  
determine whether a fund is over- or under-funded. Consequently,  
the effectiveness of programs funded becomes harder to ascertain.

HB487 HD1 HSCR HSG HMS 2017-2425



Your Committee has amended this measure by changing its effective date to take effect upon a date to be determined to facilitate further discussion.

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. 487, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 487, H.D. 1, and be referred to your Committee on Finance.

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

A handwritten signature in black ink, appearing to read "Tom Brower", written over a horizontal line.

TOM BROWER, Chair



