

Honolulu, Hawaii

MAR 23 , 2018

RE: S.B. No. 2415
S.D. 1
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 S.B. No. 2415, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to increase state revenues by increasing the conveyance tax rates for residential investment properties with a value of at least \$2,000,000.

Hawaii Association of REALTORS, Land Use Research Foundation of Hawaii, BIA-Hawaii, and Kohala Coast Resort Association opposed this measure. The Department of Taxation, Hawaii Housing Finance and Development Corporation, Catholic Charities Hawai'i, IMUAlliance, Hawaii Habitat for Humanity Association, and Tax Foundation of Hawaii offered comments on this measure.

Your Committee has amended this measure by:

- (1) Inserting language that exempts certain affordable housing qualified by the Hawaii Housing Finance and Development Corporation from the conveyance tax;
- (2) Changing the effective date to January 1, 2050, to encourage 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 S.B. No. 2415, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2415, S.D. 1, H.D. 1, and be referred to your Committee on Finance.

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

HSC121383-18

Record of Votes of the Committee on Housing

Bill/Resolution No.: SB 2415 SD1	Committee Referral: HSG, FIN	Date: 3/20/18		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HSG Members	Ayes	Ayes (WR)	Nays	Excused
1. BROWER, Tom (C)	✓			
2. NAKAMURA, Nadine K. (VC)	✓			
3. AQUINO, Henry J.C.	✓			
4. HASHEM, Mark J.	✓			
5. QUINLAN, Sean	✓			
6. SAN BUENAVENTURA, Joy A.	✓			
7. MCDERMOTT, Bob			✓	
TOTAL (7)	6	-	1	-
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: <u> Nadine K. Pook </u>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				