

STAND. COM. REP. NO.

2472

Honolulu, Hawaii

FEB 16 2018

RE: S.B. No. 2424
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committees on Hawaiian Affairs and Housing, to which was referred S.B. No. 2424 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING FOR NATIVE HAWAIIANS,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Authorize the construction and use of micro housing units on Hawaiian home lands managed by the Department of Hawaiian Home Lands and exempts such construction from certain laws;
- (2) Authorize the use of the Hawaiian home land fund and Hawaiian home general loan fund to assist in purchasing or renting a micro housing unit on Hawaiian home lands and leased to native Hawaiian beneficiaries; and
- (3) Appropriate funds to the Hawaii Housing Finance and Development Corporation to:
 - (A) Construct micro housing units, subject to certain conditions; and
 - (B) Build the general organizational capacity of native Hawaiian-controlled nonprofit housing developers.



Your Committees received testimony in support of this measure from the Hawaiian Civic Club of Honolulu; Life of the Land; Hawaii Habitat for Humanity; Hawaii Appleseed Center for Law and Economic Justice; Hawaiian Community Assets; Young Progressives Demanding Action - Hawai'i; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Ho'omanapono, LLC; Council for Native Hawaiian Advancement; Ho'omanapono Political Action Committee; and eleven individuals. Your Committees received testimony in opposition to this measure from the Center for Hawaiian Sovereignty Studies. Your Committees received comments on this measure from the Department of Hawaiian Home Lands, Department of the Attorney General, Office of Hawaiian Affairs, and Hawaii Housing Finance and Development Corporation.

Your Committees find that micro housing units are an attempt to address homelessness and to create more affordable housing. The construction of micro housing units on Hawaiian home lands has the potential to address two of the largest problems the State is facing: homelessness and lack of affordable housing. Your Committees find that forty-two percent of homeless people in Hawaii identify as Native Hawaiian and that the State has a responsibility to provide sufficient living arrangements for beneficiaries of the Hawaiian Homes Commission Act. Your Committees believe that micro housing units are a resourceful option with the potential to accommodate more beneficiaries on Hawaiian homestead lands.

Your Committees recognize the difficulty for beneficiaries to obtain the necessary funds to construct a micro housing unit and note that the difficulty is multiplied due to existing law prohibiting beneficiaries from taking out a second mortgage or using equity financing to construct a micro housing unit on their Hawaiian homestead land. In order to address this concern, your Committees have requested various stakeholders to work with the Department of Hawaiian Home Lands to draft language that would authorize beneficiaries to take out a second mortgage or use equity financing in order to construct a micro housing unit on their Hawaiian homestead land. Your Committees respectfully encourage your Committee on Ways and Means to continue the collaborative work to incorporate the draft language into this measure.

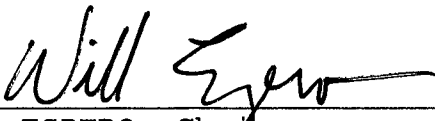


Your Committees have amended this measure, as suggested by the Department of Hawaiian Home Lands, by:

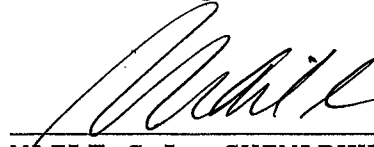
- (1) Amending the preamble for accuracy and to clarify that those who lease the micro housing units must meet the minimum Hawaiian blood quantum requirement for lease successorship under the Hawaiian Homes Commission Act, 1920, as amended;
- (2) Deleting the exemption for micro housing units from county permit and building code provisions;
- (3) Allowing the construction and use of any micro housing unit on Hawaiian home lands that have been approved, rather than managed, by the Department of Hawaiian Home Lands;
- (4) Inserting the Department of Hawaiian Home Lands as the expending agency for the two appropriations; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2424, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2424, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Hawaiian Affairs
and Housing,



WILL ESPERO, Chair

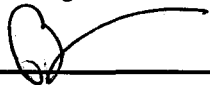


MAILE S.L. SHIMABUKURO, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i


Record of Votes
Committee on Hawaiian Affairs
HWN

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|---|---|---------------------------------------|---------------------|---------|
| Bill / Resolution No.:* | Committee Referral: | Date: | | |
| SB 2424 | HWN/HOU, WAM | 2/13/2018 | | |
| <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 type="checkbox"/> Pass, unamended 2312 | <input checked="" type="checkbox"/> Pass, with amendments 2311 | <input type="checkbox"/> Hold 2310 | | |
| <input type="checkbox"/> Recommit 2313 | | | | |
| Members | Aye | Aye (WR) | Nay | Excused |
| SHIMABUKURO, Maile S.L. (C) | ✓ | | | |
| GALUTERIA, Brickwood (VC) | ✓ | | | |
| ENGLISH, J. Kalani | | | | ✓ |
| GREEN, Josh | | | | ✓ |
| RIVIERE, Gil | ✓ | | | |
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| TOTAL | 3 | | | 2 |
| Recommendation: | | | | |
| <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted | | | | |
| Chair's or Designee's Signature: | | | | |
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| Distribution: | | | | |
| Original | Yellow | Pink | Goldenrod | |
| File with Committee Report | Clerk's Office | Drafting Agency | Committee File Copy | |

*Only one measure per Record of Votes

The Senate
Twenty-Ninth Legislature
State of Hawai'i

Record of Votes
Committee on Housing
HOU

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|--|--|-------------------------|-----|----------|
| Bill / Resolution No.:* SB 2424 | Committee Referral: HWN/HOU, WAM | Date: 2/13/18 | | |
| <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 type="checkbox"/> Pass, unamended 2312 <input checked="" 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) | ✓ | | | |
| GREEN, Josh | ✓ | | | |
| KAHELE, Kaiali'i | | | | ✓ |
| NISHIHARA, Clarence K. | | | | ✓ |
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| Chair's or Designee's Signature:  | | | | |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy | | | | |

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