



## HB1746

### RELATING TO INDIVIDUAL HOUSING ACCOUNTS

House Committee on Ocean, Marine Resources, and Hawaiian Affairs

January 30, 2018

9:45 AM

Room 312

The Office of Hawaiian Affairs (OHA) **STRONGLY SUPPORTS** HB1746, which is a bill in OHA's 2018 Legislative Package. This measure promotes the economic self-sufficiency and housing security of Native Hawaiian and other Hawai'i residents and families, by providing tax incentives for participation in financial literacy and housing savings account programs.

Individual development accounts for housing, otherwise known as individual housing accounts (IHAs), are a proven approach to enabling individuals and families to purchase their first home, or to secure rental housing. Administered by banks, community development financial institution (CDFI) service providers, or other institutions, IHAs provide incentives for account holders to meet savings goals, and require account funds to be expended for IHA purposes (i.e. making a down payment on a home, or paying a rental deposit and first month's rent). **IHA programs funded by OHA are administered by CDFIs, who, in addition to providing savings match incentives, also require financial literacy education for participants, and offer them one-on-one coaching; these programs have demonstrated high rates of success in allowing participating families and individuals to purchase their first home, or to obtain financially sustainable rental housing.**

This measure would increase participation in CDFI-administered IHA programs, such as those funded by OHA, by updating and expanding tax incentives already provided for IHAs held in a traditional bank. Currently, savings in IHAs administered by traditional banks for the purchase of a first principle residence can qualify for an adjusted gross income (AGI) deduction, up to a certain limit, for state income tax and related purposes. This deduction allows account holders to reduce their state income tax liability, and maintain eligibility or qualify for certain income-based tax credits and other programs as they save for a future home. However, IHAs administered by CDFIs, who provide concurrent financial literacy education and savings match incentives, currently do not qualify for an AGI deduction. In addition, there is no AGI deduction for savings in rental IHAs, specifically designed to help houseless individuals and families secure a rental housing. **HB1746 would therefore encourage and support Native Hawaiians and other Hawai'i residents in securing better financial futures for themselves and their families, by allowing savings in CDFI-administered IHAs, including rental IHAs, to qualify for an AGI deduction.**

This measure would also update the limit on the annual AGI deduction for homeownership IHAs (in both traditional banks and CDFIs) for the first time in 35 years, from \$5,000 to \$15,000 for individuals, and from \$10,000 to \$30,000 for married couples (up to an aggregate total of \$75,000 in deductions for both individuals and couples). The AGI deduction limit for rental IHAs would also be set as an aggregate total of \$2,500. These new limits would reflect the time value of money with regards to the existing IHA deduction, as well as the current costs of making a down payment on a home, or obtaining rental housing.

Finally, this measure would remove the tax “recapture” provision currently applied to IHA savings if they are ultimately expended for housing. **Removing provisions that IHA savings be taxed upon expenditure would further encourage account holders to save for their future housing needs, and would treat such savings as true deductions rather than a mere deferral of tax liability.** IHA savings that are spent for purposes other than for obtaining housing would still be subject to “recaptured” tax liability, as well as a 10% tax penalty.

The tax relief provided under HB1746 would therefore encourage Native Hawaiians and others to participate in IHA programs, directly supplement their efforts to obtain secure and sustainable housing, and hopefully encourage establishment of more IHA programs to meet our state’s housing needs. **Notably, a family with two children who saves approximately \$796 per month (18.75% of a gross income of \$51,000), will be able to reduce their tax liability by \$726 a year; combined with the savings match currently provided under OHA-funded, CDFI-administered IHA programs, such a family could afford a down-payment on a market-rate home within 5 years.** This deduction would also allow them to maintain their eligibility for the food excise tax credit and certain other income-based programs, further encouraging them to meet their savings goals.

Because this bill would expand existing tax deductions, OHA acknowledges that it may reduce state income tax liability for some individuals and families, thereby potentially reducing general fund income tax revenues. However, the reductions in general fund revenue would likely be minimal, as the deduction would largely be claimed by low-income families who qualify for and complete CDFI-administered IHA programs. Any tax revenue impacts would also be offset by IHA program participants’ increased financial literacy and capacity. **In addition, every dollar of income not taxed under this plan will go into a regulated and monitored savings account, and will be cycled directly into the local housing market in the short term; again, deducted savings used for anything other than the purchase of a first primary residence or securing a rental unit would be subject to recaptured tax liability, and a tax penalty.** Accordingly, the IHA tax deduction in HB1746 is a highly targeted, low-cost method of stabilizing Hawai’i’s middle class, encouraging and directly supporting asset-building and housing security for our residents and families.

Therefore, OHA urges the Committee to **PASS** HB1746. Mahalo nui for the opportunity to testify on this measure.

**HB-1746**

Submitted on: 1/29/2018 2:51:40 PM

Testimony for OMH on 1/30/2018 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Shane Akoni Nelsen	Kuakini Hawaiian Civic Club	Support	No

Comments:

## decoite2 - Amanda

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**From:** Paul Bucher <rockmanpaul@gmail.com>  
**Sent:** Monday, January 29, 2018 10:15 AM  
**To:** omhtestimony  
**Subject:** Please PASS HB1746

I STRONGLY SUPPORT HB1746, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing. This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This measure would also remove current provisions that deter participation in IHAs, such as taxing IHA savings upon disbursement. Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assist families in securing better financial futures. Therefore, I respectfully urge the Committee to PASS HB1746.

DAVID Y. IGE  
GOVERNOR

SHAN S. TSUTSUI  
LIEUTENANT GOVERNOR



LINDA CHU TAKAYAMA  
DIRECTOR

DAMIEN A. ELEFANTE  
DEPUTY DIRECTOR

**STATE OF HAWAII  
DEPARTMENT OF TAXATION**

830 PUNCHBOWL STREET, ROOM 221

HONOLULU, HAWAII 96813

<http://tax.hawaii.gov/>

Phone: (808) 587-1540 / Fax: (808) 587-1560

Email: Tax.Directors.Office@hawaii.gov

To: The Honorable Kaniela Ing, Chair  
and Members of the House Committee on Ocean, Marine Resources, & Hawaiian  
Affairs

Date: Tuesday, January 30, 2018  
Time: 9:45 A.M.  
Place: Conference Room 312, State Capitol

From: Linda Chu Takayama, Director  
Department of Taxation

Re: H.B. 1746, Relating to Individual Housing Accounts

The Department of Taxation (Department) offers the following comments on H.B. 1746 for the Committee's consideration.

H.B. 1746 makes numerous changes to the law governing individual housing accounts (IHAs). Generally, IHAs are savings vehicles to assist individuals in purchasing their first principal residence. Limited amounts of IHA contributions are tax deductible. Specifically, H.B. 1746 does the following:

- Increases the maximum amount of deductible contributions into an IHA from \$5,000 to \$15,000 per year (\$10,000 to \$30,000 for married filing jointly);
- Increases the aggregate amount of deductions allowed for contributions into an IHA from \$25,000 to \$75,000;
- Repeals the rule prohibiting IHAs from accepting yearly and total contributions in excess of the amounts that qualify for the deduction;
- Repeals the tax imposed on distributions from an IHA that are used for the purchase of a first principal residence;
- Allows an annual deduction of up to \$2,500 for contributions to an IHA that is established to provide funding for rental housing;
- Makes various other changes to the establishment and regulation of IHAs.

First, the Department notes that under current law the deduction of contributions is matched by the inclusion in gross income of the distribution amounts. This allows tax deferral, but not tax exemption. This is consistent with other tax preferred savings tools like individual retirement accounts (IRAs). The eventual inclusion in gross income ensures the taxation of the income while allowing the deduction and tax savings when the individual needs it most. H.B. 1746 proposes to eliminate the tax deferral treatment IHAs and provide a permanent and full tax

exemption for any amounts deducted instead. The Department recommends maintaining the taxability of distributions as under current law. In the alternative, the Committee may want to consider limiting this amendment to taxpayers under a certain income threshold or IHAs that are established for the purpose of obtaining rental housing.

Second, the Department notes that repealing the taxability of distributions will have other unintended consequences. As written, the bill will shield all interest earned in an IHA from taxation. Under current law, any interest earned in an IHA is not taxable in the year it is accrued. Instead, the eventual distribution, including the accrued interest, is taxable to the recipient in the years after the distribution is made. H.B. 1746 repeals the tax on distributions when received, in doing this, the bill also exempts all accrued interest.

If it is not the intent of the measure to shield IHA interest income from taxation, then the Department recommends deleting the following language from Hawaii Revised Statutes (HRS) section 235-5.5(a):

"The interest paid or accrued within the taxable year on the account shall not be included in the individual's gross income."

This amendment will ensure that only the deductible contributions, and not the growth, in IHA accounts will be fully tax exempted.

Third, if the measure is intended to exempt distributions from IHAs from taxation, then the Department recommends clearly stating in the statutes that distributions from IHAs are not taxable. As drafted, there may be confusion as to whether repealing the language in HRS section 235-5.5(f), actually exempts the income from taxation or merely repeals the ten year inclusion period under current law.

Finally, the Department is able to administer this bill as written and defers to other agencies regarding the merits of individual housing accounts as a savings tool.

Thank you for the opportunity to provide comments.

Council Chair  
Mike White

Vice-Chair  
Robert Carroll

Presiding Officer Pro Tempore  
Stacy Crivello


Councilmembers  
Alika Atay  
Elle Cochran  
Don S. Guzman  
Riki Hokama  
Kelly T. King  
Yuki Lei K. Sugimura



**COUNTY COUNCIL**  
COUNTY OF MAUI  
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January 28, 2018

TO: Honorable Kaniela Ing, Chair  
House Committee on Ocean, Marine Resources, & Hawaiian Affairs

FROM: Stacy Helm Crivello  
Councilmember 

DATE: Tuesday, January 30, 2018

SUBJECT: **SUPPORT OF HB 1746, RELATING TO INDIVIDUAL HOUSING ACCOUNTS**

Thank you for the opportunity to testify in **support** of this important measure. The purpose of this measure is to increase the cap amounts of the tax deduction for individual housing accounts. Authorizes certain funds from an individual housing account to be used to obtain rental housing. Authorizes the accounts to be placed in a community development financial institution. Repeals requirements for the payment of taxes on distributions used for the purchase of a first principal residence or to secure rental housing.

I **support** this measure for the following reasons:

1. Hawaii has one of the lowest rates of home ownership in the nation with the lack of down payment as a major contributing factor. Further Hawaii has the highest rate of homelessness in the nation.
2. Individual Housing Accounts (IHAs) help support asset building for low to moderate income families and can assist them in saving for a down payment on a first home or first month's rent and deposit.
3. Incentives such as a state income tax deduction for savings in IHAs held by community development financial institutions (CDFI), updating the income limits for IHA deductions reflecting current dollar values and savings necessary for down payment, allows certain amounts paid into an IHA and used for obtaining rental housing be eligible for a tax deduction, and not taxing IHA distributions used to purchase a first principal residence or secure rental housing help promote economic self-sufficiency and housing stability.

For the foregoing reasons, I **support** this measure.

2018HB1746Support

## **decoite2 - Amanda**

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**From:** kahili@hawaiiantel.net  
**Sent:** Monday, January 29, 2018 10:11 AM  
**To:** omhtestimony  
**Subject:** Please PASS HB1746

I STRONGLY SUPPORT HB1746, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing.

This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs.

Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This measure would also remove current provisions that deter participation in IHAs, such as taxing IHA savings upon disbursement. Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assist families in securing better financial futures.

Therefore, I respectfully urge the Committee to PASS HB1746.



# TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: INCOME, Individual Housing Accounts

BILL NUMBER: HB 1746; SB 2135 (Identical)

INTRODUCED BY: HB by Saiki by request; SB by Kouchi by request

EXECUTIVE SUMMARY: Increases the cap amounts of the tax deduction for individual housing accounts. Authorizes certain funds from an individual housing account to be used to obtain rental housing. Authorizes the accounts to be placed in a community development financial institution. The concept of reviving the IHA does appear to merit discussion given the curtailment of the mortgage interest deduction at the federal level.

SYNOPSIS: Amends HRS section 235-5.5(a) to allow a deduction of up to \$15,000 contributed to an individual housing account per year, \$30,000 for a married couple filing jointly. Allows a taxpayer a maximum deduction for all taxable years of \$75,000, regardless of filing status. These amounts would be applicable to an account that provides funding for the purchase of the individual's first principal residence.

Adds a new HRS section 235-5.5(b) providing that an individual is allowed a deduction of up to \$2,500 contributed per year to an account that would provide funding for rental housing.

Provides that if an individual IHA beneficiary marries a person who has or has had an interest in residential real property, the IHA will be terminated and the 10% penalty on the balance in it will be applied.

Also allows a community development financial institution to be a permitted depository. Removes the requirement that the financial institution actively make residential real estate mortgage loans in Hawaii.

EFFECTIVE DATE: Taxable years beginning after December 31, 2018.

STAFF COMMENTS: This bill is part of the package submitted by the Office of Hawaiian Affairs.

Individual housing accounts were established by Act 285, SLH 1982. It was intended to operate like an individual retirement account, but it would be used for a housing purchase rather than retirement security.

There is no similar provision at the federal level, so the interest in these accounts has been quite limited. In the Department of Taxation's 2002 report "Hawaii Income Patterns – Individuals," it is reported that 83 tax returns took advantage of the IHA deduction, with an average of around \$4,500 taken per tax return. That appears to be last year in which IHA statistics were reported separately.

Re: HB 1746

Page 2

The idea of reviving IHA accounts does merit discussion, given that federal tax benefits of home ownership were significantly curtailed in the 2017 Tax Cuts and Jobs Act. Specifically, the mortgage interest deduction was limited to the interest on no more than \$750,000 of home acquisition debt, and interest on home equity loans (not used for acquisition) was made entirely nondeductible.

Digested 1/26/2018

## decoite2 - Amanda

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**From:** Keoahunui Warrington <cualesmile@aol.com>  
**Sent:** Monday, January 29, 2018 11:41 AM  
**To:** omhtestimony  
**Subject:** Please PASS HB1746

I STRONGLY SUPPORT HB1746, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing. This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This measure would also remove current provisions that deter participation in IHAs, such as taxing IHA savings upon disbursement. Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assist families in securing better financial futures. Therefore, I respectfully urge the Committee to PASS HB1746.

Constance Keoahunui Uale Warrington

Sent from my iPhone

**HB-1746**

Submitted on: 1/29/2018 1:34:12 PM

Testimony for OMH on 1/30/2018 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Keani		Support	No

Comments:

**HB-1746**

Submitted on: 1/27/2018 12:12:48 PM

Testimony for OMH on 1/30/2018 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Makaala Kaaumoana	Hanalei Watershed Hui	Support	No

Comments:

Hui Ho'omalua i ka 'Aina strongly supports this measure. It will help our ohana get into secure housing.



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January 28, 2018

House Committee on Ocean, Marine Resources, and Hawaiian Affairs  
Tuesday, January 30, 2018, 9:45am  
Conference Room 312

### **HB1746 – Relating to Individual Housing Accounts**

Aloha Chair Ing, Vice-Chair Decoite, and Committee Members:

I am submitting testimony on behalf of Hawaiian Community Assets (HCA), the State's largest HUD-approved housing counseling agency and its subsidiary nonprofit Community Development Financial Institution, Hawaii Community Lending (HCL), to **STRONGLY SUPPORT HB1746 with amendments.**

HB1746 would update the existing Individual Housing Account (IHA) statute to provide tax benefits that would incentivize Hawaii taxpayers to save the money necessary to pay for affordable housing as the statute was initially intended by the State Legislature.

Under the current IHA statute, Hawaii taxpayers only receive a tax incentive to save money for homeownership and only if they save their money in an IHA that is held with a bank or credit union. Unfortunately, there are no banks or credit unions that offer IHAs.

At this point, Community Development Financial Institutions (CDFIs) are the only financial institutions in Hawaii that offer IHAs. CDFIs are certified through the US Department of the Treasury and administer Individual Development Account programs that provide IHAs that offer matching grants for Hawaii residents who save to obtain rentals or purchase homes.

HB1746 would amend the existing statute to add CDFIs as an eligible IHA financial institution. Not only would this make the existing statute finally work for Hawaii taxpayers, but it would mean more money in the hands of workers and families to afford down payment and closing costs as well as first month's rent and deposits. Furthermore, this money would leverage other investments made by the State of Hawaii and matching grant funds provided by CDFIs from public and private sources.

**Amendment 1: Create Grant Program to Match Savings of Low-Income Taxpayers and Attract Private Capital from Outside Hawaii.** We commend the Office of Hawaiian Affairs (OHA) as the only state agency with a grant program that matches the savings of individuals to help pay first month's rent/deposit and down payment/closing costs. Their investment has proven effective in incentivizing more than 1,000 individuals in building savings via IHAs to access affordable housing and further their own economic self-sufficiency. Since 2013, HCA and HCL have partnered to deploy more than \$1 million of OHA funds to match over \$1 million in individual savings through IHAs for financial goals that include rental housing and homeownership. This has resulted in return on investment of \$1.26 in participant savings for every \$1 invested by OHA and provided stable housing for over 1,000 low-income children and adults.

To expand the success of IHAs administered through Individual Development Account programs at CDFIs, we recommend an amendment to HB1746 that would include an investment of \$1 million of State funds to create a grant program to match savings of low-income taxpayers for rent and homeownership. This investment would provide additional funds that CDFIs could leverage along with OHA funds to attract private capital from local, regional, and national foundations as a strategy for increasing the financial capability of our low-income workers and families to rent or own homes. Other states have implemented similar down payment assistance grant programs, however, Hawaii could be the first-in-the-nation to implement such a program for both rental and homeownership savings.

With the highest homeless rate per capita and some of the highest housing cost burdens of any state in the nation, we must look to a comprehensive strategy to meet our affordable housing goals. This strategy includes looking at how both the State and its taxpayers can invest their funds in affordable rental and homeownership opportunities. HB1746 would incentivize Hawaii taxpayers to become part of the solution to affordable housing and the suggested amendments would bring the State onboard with OHA in their investment in this strategy to attract private capital from outside Hawaii. Please take action to update the existing IHA statute. **We recommend you pass HB1746 with the proposed amendments.**

Mahalo for your time, leadership and consideration. Please contact me directly at 808.587.7653 or jeff@hawaiiancommunity.net should you have any questions or need additional information.

Sincerely,



Jeff Gilbreath  
Executive Director

**HB-1746**

Submitted on: 1/29/2018 3:29:44 PM

Testimony for OMH on 1/30/2018 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Jill Radke		Support	No

Comments:

I **STRONGLY SUPPORT HB1746**, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs.

Savings programs help reverse the poverty cycle and chip away at the many reasons why people cannot afford to live in Hawaii anymore.

Individual Housing Accounts (IHAs) have been proven to help participants achieve their goals of purchasing their first home or securing rental housing.

Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assists families in securing better financial futures. Therefore, I respectfully urge the Committee to **PASS HB1746**.



**HB-1746**

Submitted on: 1/29/2018 3:46:22 PM

Testimony for OMH on 1/30/2018 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Joellen Salisbury		Support	No

Comments:

I **STRONGLY SUPPORT HB1746**, which promotes the economic self-sufficiency and housing security of low-income residents and families and helps with home ownership or secure rental housing. This measure would expand the deduction categories and limits to better reflect current costs for downpayments and securing rental agreements.

Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assists families in securing better financial futures. Therefore, I respectfully urge the Committee to **PASS HB1746**.

**HB-1746**

Submitted on: 1/28/2018 11:37:01 AM

Testimony for OMH on 1/30/2018 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Benton Kealii Pang, Ph.D.	Hawaiian Civic Club of Honolulu	Support	No

Comments:

I **STRONGLY SUPPORT HB1746**, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing.

This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This bill would also remove current provisions that deter participation in IHAs by taxing savings when they are disbursed from the account.

Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assists families in securing better financial futures. Therefore, I respectfully urge the Committee to **PASS HB1746**.

**HB-1746**

Submitted on: 1/28/2018 5:53:29 PM

Testimony for OMH on 1/30/2018 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
De MONT R. D. CONNER	Ho'omanapono Political Action Committee (HPAC)	Support	Yes

Comments:

Aloha Ke Kaua! WE ARE IN STRONG SUPPORT OF THIS BILL. With native Hawaiians making up a great majority of the homeless population in Hawaii, and many more just a paycheck away from becoming homeless, the amendments to "**§235-5.5 Individual housing accounts, is a vital step in the right direction to assist native Hawaiians with our housing woes. Mahalo.**

**HB-1746**

Submitted on: 1/29/2018 4:03:17 PM

Testimony for OMH on 1/30/2018 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Kama Hopkins		Support	No

Comments:

## decoite2 - Amanda

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**From:** Joy Mills-Ferren <keahipua@gmail.com>  
**Sent:** Monday, January 29, 2018 2:14 PM  
**To:** omhtestimony  
**Subject:** Please PASS HB1745

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

**I am Kanaka Maoli - Hawaiian and I** STRONGLY SUPPORT HB1745 which would seek to ensure that OHA's constitutional and statutory right to a pro rata share is more adequately reflected and that the state's Public Land Trust (PLT) obligations to Native Hawaiians are fulfilled, by: (1) Establishing \$35 million as an interim reflection of the 20% of PLT revenues that should be transferred annually to OHA, beginning in fiscal year 2018-2019, with certain limited exceptions; (2) Transferring \$119 million to OHA for underpaid PLT revenues between July 1, 2012 and June 30, 2018; (3) Requiring continued annual accounting of revenues from PLT lands; and (4) Convening a Public Land Trust Revenues Committee every six years, to review and make recommendations regarding OHA's portion of PLT revenues.

After years of injustice, it is time to revisit Native Hawaiians' fair share of the PLT revenue. This revenue is the primary source of funding for programs, grants and services that benefit both Native Hawaiians and the larger community. Raising the annual payment to \$35 million will support a wider range of strategic and innovative programs and activities designed to improve the well-being and conditions of Native Hawaiians and Hawai'i. Therefore, I respectfully urge the Committee to **PASS HB1746**.

**Joy Keahipuakauikawekiu Mills-Ferren**

**Kailua Kona , Hawaii**

**96740**

Sent from my iPhone

**HB-1746**

Submitted on: 1/28/2018 6:38:42 PM

Testimony for OMH on 1/30/2018 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Joseph Kohn MD	We Are One, Inc. - www.WeAreOne.cc - WAO	Support	No

Comments:

**HB-1746**

Submitted on: 1/27/2018 12:12:54 PM

Testimony for OMH on 1/30/2018 9:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Millie Ho		Support	No

Comments:

**I STRONGLY SUPPORT HB1746**, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing.

This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This bill would also remove current provisions that deter participation in IHAs by taxing savings when they are disbursed from the account.

Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assists families in securing better financial futures. Therefore, I respectfully urge the Committee to **PASS HB1746**.

**HB-1746**

Submitted on: 1/27/2018 12:26:22 PM

Testimony for OMH on 1/30/2018 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Kalani Thanee		Support	No

Comments:



**HB-1746**

Submitted on: 1/27/2018 1:14:08 PM

Testimony for OMH on 1/30/2018 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Nako?olani Warrington		Support	No

Comments:

I **STRONGLY SUPPORT HB1746**, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. This measure helps to stabilize Hawai'i's middle-class and assists families in securing better financial futures.

Please support and **PASS HB1746**.

**HB-1746**

Submitted on: 1/27/2018 1:18:21 PM

Testimony for OMH on 1/30/2018 9:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Sophia De soto		Support	Yes

Comments:

I **STRONGLY SUPPORT HB1746**, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing.

This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This bill would also remove current provisions that deter participation in IHAs by taxing savings when they are disbursed from the account.

Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assists families in securing better financial futures. Therefore, I respectfully urge the Committee to **PASS HB1746**.

**HB-1746**

Submitted on: 1/27/2018 3:11:15 PM

Testimony for OMH on 1/30/2018 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Leanne Fox		Support	Yes

Comments:

**STRONGLY SUPPORT HB1746**, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing.

This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This bill would also remove current provisions that deter participation in IHAs by taxing savings when they are disbursed from the account.

Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assists families in securing better financial futures. Therefore, I respectfully urge the Committee to **PASS HB1746**.

Mahalo, Dr. Leanne Kealoha Fox

**HB-1746**

Submitted on: 1/27/2018 4:29:15 PM

Testimony for OMH on 1/30/2018 9:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kaulana Dameg		Support	No

Comments:

I **STRONGLY SUPPORT HB1746**, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing.

This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This bill would also remove current provisions that deter participation in IHAs by taxing savings when they are disbursed from the account.

Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assists families in securing better financial futures. Therefore, I respectfully urge the Committee to **PASS HB1746**.

**HB-1746**

Submitted on: 1/27/2018 5:49:28 PM

Testimony for OMH on 1/30/2018 9:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Yoshiko Jade Mokihana Carrel		Support	No

Comments:

I **STRONGLY SUPPORT HB1746**, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing.

This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This bill would also remove current provisions that deter participation in IHAs by taxing savings when they are disbursed from the account.

Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assists families in securing better financial futures. Therefore, I respectfully urge the Committee to **PASS HB1746**.

**HB-1746**

Submitted on: 1/28/2018 10:18:04 AM

Testimony for OMH on 1/30/2018 9:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Moana Ching		Support	No

Comments:

Aloha mai,

I **STRONGLY SUPPORT HB1746**, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing.

This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This bill would also remove current provisions that deter participation in IHAs by taxing savings when they are disbursed from the account.

Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assists families in securing better financial futures. Therefore, I respectfully urge the Committee to **PASS HB1746**.

Me ka ha'aha'a,

Ulu Ching

Hilo, Hawaii

**HB-1746**

Submitted on: 1/28/2018 12:54:10 PM

Testimony for OMH on 1/30/2018 9:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Wayne		Support	No

Comments:

Aloha mai Chair Ing, Vice Chair DeCoite, and members of the House Ocean, Marine Resources, and Hawaiian Affairs Committee,

Please **SUPPORT** this measure, which will help both middle class and lower income families achieve housing security AND improve their financial literacy, by encouraging their participation in service provider-administered Individual Housing Account programs that include financial literacy training, coaching, and a savings match incentive.

The minimal reduction in tax revenues from the deductions in this measure will be recaptured many times over, as participating families improve their financial security, thereby reducing or eliminating the cost of services and social safety nets that may otherwise need to be expended on them, and increasing their long-term contribution to the economy and our tax base.

Mahalo nui for your favorable consideration of this measure!

Wayne Tanaka

**HB-1746**

Submitted on: 1/29/2018 9:27:26 AM

Testimony for OMH on 1/30/2018 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Erin ODonnell		Support	No

Comments:

I **STRONGLY SUPPORT HB1746**, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing.

This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This bill would also remove current provisions that deter participation in IHAs by taxing savings when they are disbursed from the account.

Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assists families in securing better financial futures. Therefore, I respectfully urge the Committee to **PASS HB1746**.



**HB-1746**

Submitted on: 1/26/2018 10:40:38 PM

Testimony for OMH on 1/30/2018 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Tamara Paltin		Support	No

Comments:

Aloha Representatives

I am in support of providing tax incentives for folks who participate in programs that help them save for their first home (or first rental unit, if they are houseless). In Maui and I think on all islands we are in a housing crisis and this bill alone will not solve our problems - there is no one thing that would solve the problems but this is one action that has the potential to truly help those who take advantage and in the long run could lessen the amount of public funds used in homeless camp clean ups and this type of program has had high rates of success in helping working families get in to housing and off our streets and beaches.

Mahalo for your time

Tamara Paltin 808-870-0052

**HB-1746**

Submitted on: 1/29/2018 9:34:51 AM

Testimony for OMH on 1/30/2018 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Donna K Santos		Support	No

Comments:

I am a Native Hawaiian from Kauai and I support this bill and urge you to pass it.

**HB-1746**

Submitted on: 1/29/2018 9:35:03 AM

Testimony for OMH on 1/30/2018 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Noalani Nakasone	Individual	Support	No

Comments:

I am a Native Hawaiian and I am from Kauai.

I urge you to please support this bill.

Mahalo!

**HB-1746**

Submitted on: 1/29/2018 9:39:04 AM

Testimony for OMH on 1/30/2018 9:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Letani Peltier		Support	No

Comments:

I **STRONGLY SUPPORT HB1746**, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing.

This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This bill would also remove current provisions that deter participation in IHAs by taxing savings when they are disbursed from the account.

Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assists families in securing better financial futures. Therefore, I respectfully urge the Committee to **PASS HB1746**.

## decoite2 - Amanda

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**From:** chadwick brown <chadwickb96793@gmail.com>  
**Sent:** Saturday, January 27, 2018 7:57 PM  
**To:** omhtestimony  
**Subject:** Please PASS HB1746

I STRONGLY SUPPORT HB1746, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing. This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This measure would also remove current provisions that deter participation in IHAs, such as taxing IHA savings upon disbursement. Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assist families in securing better financial futures. Therefore, I respectfully urge the Committee to PASS HB1746.

## decoite2 - Amanda

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**From:** ecarinio <ecarinio@yahoo.com>  
**Sent:** Sunday, January 28, 2018 11:47 AM  
**To:** omhtestimony  
**Subject:** Please PASS HB1746

I STRONGLY SUPPORT HB1746, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing. This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This measure would also remove current provisions that deter participation in IHAs, such as taxing IHA savings upon disbursement. Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assist families in securing better financial futures. Therefore, I respectfully urge the Committee to PASS HB1746.

Sent from my iPad

## decoite2 - Amanda

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**From:** Katie Collins <katiejeancollins@yahoo.com>  
**Sent:** Saturday, January 27, 2018 6:19 PM  
**To:** omhtestimony  
**Subject:** Please PASS HB1746

I STRONGLY SUPPORT HB1746, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing. This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This measure would also remove current provisions that deter participation in IHAs, such as taxing IHA savings upon disbursement. Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assist families in securing better financial futures. Therefore, I respectfully urge the Committee to PASS HB1746.

Katie Fredrickson  
Sent from my iPhone

## decoite2 - Amanda

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**From:** Lloydette Helenihi <lloydettewa@yahoo.com>  
**Sent:** Saturday, January 27, 2018 11:31 AM  
**To:** omhtestimony  
**Subject:** Please PASS HB1746

I STRONGLY SUPPORT HB1746, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing. This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This measure would also remove current provisions that deter participation in IHAs, such as taxing IHA savings upon disbursement. Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assist families in securing better financial futures. Therefore, I respectfully urge the Committee to PASS HB1746.



## **decoite2 - Amanda**

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**From:** ljab3@aol.com  
**Sent:** Sunday, January 28, 2018 8:02 AM  
**To:** omhtestimony  
**Subject:** Support of HB1746

I STRONGLY SUPPORT HB1746, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing. This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This measure would also remove current provisions that deter participation in IHAs, such as taxing IHA savings upon disbursement. Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assist families in securing better financial futures. Therefore, I respectfully urge the Committee to PASS HB1746.

Lisa Jaber

## decoite2 - Amanda

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**From:** Analu Josephides <analumlis@gmail.com>  
**Sent:** Saturday, January 27, 2018 11:39 AM  
**To:** omhtestimony  
**Subject:** Please PASS HB1746

I STRONGLY SUPPORT HB1746, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing. This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This measure would also remove current provisions that deter participation in IHAs, such as taxing IHA savings upon disbursement. Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assist families in securing better financial futures. Therefore, I respectfully urge the Committee to PASS HB1746.

Mahalo,

Analu Kameeiamoku Josephides

## decoite2 - Amanda

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**From:** Tabatha Kandiah <tabbykandiah@gmail.com>  
**Sent:** Sunday, January 28, 2018 8:10 AM  
**To:** omhtestimony  
**Subject:** Please PASS HB1746

I STRONGLY SUPPORT HB1746, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing. This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This measure would also remove current provisions that deter participation in IHAs, such as taxing IHA savings upon disbursement. Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assist families in securing better financial futures. Therefore, I respectfully urge the Committee to PASS HB1746.

Mahalo nui loa,  
Tabatha Lei Simon Kandiah

## decoite2 - Amanda

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**From:** Vanessa Lee <piihonua@yahoo.com>  
**Sent:** Saturday, January 27, 2018 1:49 PM  
**To:** omhtestimony  
**Subject:** Please PASS HB1746

I STRONGLY SUPPORT HB1746, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing. This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This measure would also remove current provisions that deter participation in IHAs, such as taxing IHA savings upon disbursement. Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assist families in securing better financial futures. Therefore, I respectfully urge the Committee to PASS HB1746.

## decoite2 - Amanda

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**From:** Bs Mcewen <bsmcewen9@aol.com>  
**Sent:** Sunday, January 28, 2018 3:42 AM  
**To:** omhtestimony  
**Subject:** Please PASS HB1746

I STRONGLY SUPPORT HB1746, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing. This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This measure would also remove current provisions that deter participation in IHAs, such as taxing IHA savings upon disbursement. Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assist families in securing better financial futures. Therefore, I BS McEwen respectfully urge the Committee to PASS HB1746.

## decoite2 - Amanda

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**From:** Moki Me <mokime7@gmail.com>  
**Sent:** Saturday, January 27, 2018 11:32 AM  
**To:** omhtestimony  
**Subject:** Please PASS HB1746

I STRONGLY SUPPORT HB1746, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing. This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This measure would also remove current provisions that deter participation in IHAs, such as taxing IHA savings upon disbursement. Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assist families in securing better financial futures. Therefore, I respectfully urge the Committee to PASS HB1746.

## decoite2 - Amanda

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**From:** Pua'ala Pascua <puaalaikahoni@gmail.com>  
**Sent:** Sunday, January 28, 2018 9:37 AM  
**To:** omhtestimony  
**Subject:** Please PASS HB1746

I STRONGLY SUPPORT HB1746, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing. This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This measure would also remove current provisions that deter participation in IHAs, such as taxing IHA savings upon disbursement. Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assist families in securing better financial futures. Therefore, I respectfully urge the Committee to PASS HB1746.

Pua'ala Pascua

## decoite2 - Amanda

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**From:** Tadia Rice <tadiarice@gmail.com>  
**Sent:** Sunday, January 28, 2018 1:08 AM  
**To:** omhtestimony  
**Subject:** Please PASS HB1746

I STRONGLY SUPPORT HB1746, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing. This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This measure would also remove current provisions that deter participation in IHAs, such as taxing IHA savings upon disbursement. Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assist families in securing better financial futures. Therefore, I respectfully urge the Committee to PASS HB1746.



## decoite2 - Amanda

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**From:** Deborah Warren <zpualani808@gmail.com>  
**Sent:** Monday, January 29, 2018 9:44 AM  
**To:** omhtestimony  
**Subject:** Please PASS HB1746

I STRONGLY SUPPORT HB1746, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing. This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This measure would also remove current provisions that deter participation in IHAs, such as taxing IHA savings upon disbursement. Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assist families in securing better financial futures. Therefore, I respectfully urge the Committee to PASS HB1746.

Mahalo,  
Deborah Pualani Warren

## decoite2 - Amanda

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**From:** Serenity Williams <ms\_uilani@yahoo.com>  
**Sent:** Sunday, January 28, 2018 9:07 AM  
**To:** omhtestimony  
**Subject:** Please PASS HB1746

I STRONGLY SUPPORT HB1746, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing. This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This measure would also remove current provisions that deter participation in IHAs, such as taxing IHA savings upon disbursement. Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assist families in securing better financial futures. Therefore, I respectfully urge the Committee to PASS HB1746.

Serenity U'ilani Williams

## decoite2 - Amanda

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**From:** anubabe12 <anubabe12@yahoo.com>  
**Sent:** Sunday, January 28, 2018 12:49 AM  
**To:** omhtestimony  
**Subject:** Please PASS HB1746

I STRONGLY SUPPORT HB1746, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing. This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This measure would also remove current provisions that deter participation in IHAs, such as taxing IHA savings upon disbursement. Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assist families in securing better financial futures. Therefore, I respectfully urge the Committee to PASS HB1746.

Mahalo,  
Rhiana Anuhea Kealoha Kawahinehelelaokaiona Young

Sent from my iPhone

**HB-1746**

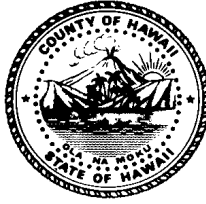
Submitted on: 1/29/2018 4:32:35 PM

Testimony for OMH on 1/30/2018 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Bob Lindsey		Support	No

Comments:

*From the office of -*  
Council Member  
District 3



Office: (808) 961-8396  
Fax: (808) 961-8912  
Email: [sue.leeloy@hawaiicounty.gov](mailto:sue.leeloy@hawaiicounty.gov)

**SUSAN L.K. LEE LOY**

25 Aupuni Street, Hilo, Hawai'i 96720

The Honorable Kaniela Ing, Chair  
And members of the Committee on  
Ocean, Marine Resources, and Hawaiian Affairs

January 29, 2018

Dear Chair Ing and Committee Members,

I strongly support HB 1746, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts, or IHAs, administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing.

This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This bill would also remove current provisions that deter participation in IHAs by taxing savings when they are disbursed from the account.

Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assists families in securing better financial futures. Therefore, I respectfully urge the Committee to pass HB 1746.

Aloha Piha,

A handwritten signature in black ink, appearing to read "Susan L.K. Lee Loy".

Susan L.K. Lee Loy  
Hawai'i County Council Member, District 3

## Support HB1747 - Fulfilling the State's Public Land Trust Revenue Obligations to Native Hawaiians

I STRONGLY SUPPORT HB1747, which would seek to ensure that OHA's constitutional and statutory right to a pro rata share is more adequately reflected and that the state's Public Land Trust (PLT) obligations to Native Hawaiians are fulfilled, by: (1) Establishing \$35 million as an interim reflection of the 20% of PLT revenues that should be transferred annually to OHA; (2) Transferring \$119 million to OHA for underpaid PLT revenues between July 1, 2012 and June 30, 2018; (3) Requiring continued annual accounting of revenues from PLT lands; and (4) Convening a Public Land Trust Revenues Committee every six years, to review and make recommendations regarding OHA's portion of PLT revenues.

After years of injustice, it is time to revisit Native Hawaiians' fair share of the PLT revenue. This revenue is the primary source of funding for programs, grants and services that benefit both Native Hawaiians and the larger community. Raising the annual payment to \$35 million will support a wider range of strategic and innovative programs and activities designed to improve the well-being and conditions of Native Hawaiians and Hawai'i. Therefore, I respectfully urge the Committee to PASS HB1747.

## Support HB 1745 - Expanding the Native Hawaiian Law Training Course

I STRONGLY SUPPORT HB1745, which expands the application of Act 169 (Session Laws 2015) to provide certain additional state and county officials with training on Native Hawaiian and public trust law, through the OHA-sponsored Native Hawaiian Law Training Course. Since 2015, this course has aided in educating certain key policymakers about the State's legal responsibilities towards Native Hawaiians and the public trust. This highly-successful training course continues to provide attendees with a deeper understanding of the State's legal obligations and leaves them better equipped to develop and implement policies involving our natural and cultural resources. The expansion of this course would allow more fully-informed decision-making and enable our state and county officials to better uphold our constitutional mandates. Furthermore, this measure would help to prevent and reduce conflicts and legal challenges when implementing and enforcing policy. Therefore, I respectfully urge the Committee to PASS HB1745.

## Support HB1746 - Housing Security and Asset Building for Low-Income Beneficiaries

I STRONGLY SUPPORT HB1746, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks,

community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing.

This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This bill would also remove current provisions that deter participation in IHAs by taxing savings when they are disbursed from the account.

Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assists families in securing better financial futures. Therefore, I respectfully urge the Committee to PASS HB1746.

**HB-1746**

Submitted on: 1/29/2018 7:15:35 PM

Testimony for OMH on 1/30/2018 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Landen Paikai		Support	No

Comments:

I **STRONGLY SUPPORT HB1746**, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing.

This measure would encourage more Hawai'i families to participate in IHA programs by expanding the adjusted gross income (AGI) deduction categories to include CDFI-administered IHAs and Rental IHAs. Additionally, this bill would update the original AGI deduction limits to better reflect and accommodate the current costs of making a down payment or obtaining rental housing in Hawai'i. This bill would also remove current provisions that deter participation in IHAs by taxing savings when they are disbursed from the account.

Through increased incentives and supported asset-building, this measure helps to stabilize Hawai'i's middle-class and assists families in securing better financial futures. Therefore, I respectfully urge the Committee to **PASS HB1746**.



**HB-1746**

Submitted on: 1/29/2018 7:45:18 PM

Testimony for OMH on 1/30/2018 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Leimomi Khan	DPH Hawaiian Affairs Caucus	Support	No

Comments:

The Hawaiian Affairs Caucus supports **HB1746**, which promotes the economic self-sufficiency and housing security of low-income residents and families, by providing tax incentives for those participating in financial literacy and housing savings account programs. Individual Housing Accounts (IHAs) administered by banks, community development financial institutions (CDFIs), and other institutions have proven to help participants achieve their goals of purchasing their first home or securing rental housing.

Too, the measure will help to stabilize Hawai'i's middle-class and assist families in securing better financial futures. Therefore, we respectfully urge the Committee to **PASS HB1746**.

**HB-1746**

Submitted on: 1/29/2018 10:18:30 PM

Testimony for OMH on 1/30/2018 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Kilia Purdy-Avelino		Support	No

Comments:

**HB-1746**

Submitted on: 1/30/2018 7:11:13 AM

Testimony for OMH on 1/30/2018 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Kapua Keliikoa-Kamai		Support	Yes

Comments:

Aloha kakou,

I SUPPORT HB 1746 - RELATING TO INDIVIDUAL HOUSING ACCOUNTS. Increases the cap amounts of the tax deduction for individual housing accounts. Authorizes certain funds from an individual housing account to be used to obtain rental housing. Authorizes the accounts to be placed in a community development financial institution. Repeals requirements for the payment of taxes on distributions used for the purchase of a first principal residence or to secure rental housing.

Our people should be able to have a little more assets, tax incentives and financial literacy while trying to obtain housing assistance. Please pass HB 1746, mahalo.

Me ka ha'aha'a,

Kapua Keliikoa-Kamai

**HB-1746**

Submitted on: 1/30/2018 8:41:28 AM

Testimony for OMH on 1/30/2018 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Melodie Aduja	OCC Legislative Priorities	Support	No

Comments:

**PRESENTATION OF THE  
OAHU COUNTY COMMITTEE ON LEGISLATIVE PRIORITIES  
DEMOCRATIC PARTY OF HAWAII**

TO THE COMMITTEE ON OCEAN, MARINE RESOURCES & HAWAIIAN  
AFFAIRS

HOUSE OF REPRESENTATIVES

TWENTY-NINTH LEGISLATURE

REGULAR SESSION OF 2018

Tuesday, January 30, 2018

9:45 a.m.

Hawaii State Capitol, Conference Room 312

**RE: Testimony in Support** of HB 1746, RELATING TO INDIVIDUAL HOUSING ACCOUNTS

To the Honorable Kaniela Ing, Chair; the Honorable Lynn DeCoite, Vice-Chair, and Members of the Committee on Ocean, Marine Resources & Hawaiian Affairs:

Good morning, my name is Melodie Aduja. I serve as Chair of the Oahu County Committee ("OCC") Legislative Priorities Committee of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on House Bill No. 1746, relating to Individual Housing Accounts and tax deductions designed to address homelessness. The OCC Legislative Priorities Committee is in favor of House Bill No. 1746 and support its passage.

House Bill No. 1746, is in accord with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it provides for Individual Housing Accounts and tax deductions to aid against homelessness. Specifically, the DPH Platform states, "We support dedicated social services and housing opportunities for Hawaii's homeless population to get them off the streets and reintegrated into society with specific devoted services for disenfranchised groups including but not limited to the Hawaiian community, aged-out foster kids, youth, returning veterans, the aged, and lesbian, gay, bisexual and transgender homeless." (Platform of the DPH, P. 7, Lines 355-358 (2016)).

Given that House Bill No. 1746 increases the cap amounts of the tax deduction for individual housing accounts; authorizes certain funds from an individual housing account to be used to obtain rental housing; authorizes the accounts to be placed in a community development financial institution and repeals requirements for the payment of taxes on distributions used for the purchase of a first principal residence or to secure rental housing, all of which were designed to improve the health and well-being of Hawaii's homeless, it is the position of the OCC Legislative Priorities Committee to support this measure.

Thank you very much for your kind consideration.

Sincerely yours,

/s/ **Melodie Aduja**

Melodie Aduja, Chair, OCC Legislative Priorities Committee

Email: [legislativepriorities@gmail.com](mailto:legislativepriorities@gmail.com), Tel.: (808) 258-8889