



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

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Statement of
LUIS P. SALAVERIA
Director
Department of Business, Economic Development and Tourism
before the
HOUSE COMMITTEE ON FINANCE
Friday, February 23, 2018
3:30 p.m.
State Capitol, Room 308

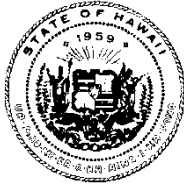
in consideration of
HB 2328
RELATING TO HOUSING.

Chair Luke, Vice Chair Cullen, and Members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT)
supports HB2328, an Administration bill making technical and clarifying amendments to Act 159, Session Laws of Hawaii 2017. This bill clarifies that any HHFDC-assisted project that was developed or sold prior to Act 159's enactment is grandfathered in to avoid unintended consequences and administrative burdens.

Thank you for the opportunity to offer support of HB 2328.

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
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IN REPLY REFER TO:

Statement of
Craig K. Hirai
Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON FINANCE

February 23, 2018 at 3:30 p.m.
State Capitol, Room 308

In consideration of
H.B. 2328
RELATING TO HOUSING.

The HHFDC **strongly supports** H.B. 2328, an Administration bill making technical and clarifying amendments to Act 159, Session Laws of Hawaii 2017.

Act 159 allows qualified non-profit housing trusts to utilize HHFDC's buyback restriction on affordable for-sale homes and condominium units resold by their original owner-occupants in situations when the HHFDC decides not to do so itself. However, during the interim, we found that some HHFDC projects may not be covered by the existing grandfather clause wording. This bill is intended to exclude any project developed or sold prior to Act 159's enactment. Doing so clarifies that HHFDC is not required to make a section 201H-50 notification to all existing HHFDC homebuyers still subject to the buyback restriction would be a significant administrative cost burden to the agency.

Thank you for the opportunity to testify.