



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

Testimony of the Office of the Governor
State of Hawai'i

Before the
Senate Committee on Ways and Means
February 6, 2018; 10:00 a.m.
Conference Room 211

In consideration of
Senate Bill No. 2756
RELATING TO THE CONVEYANCE TAX

Chair Dela Cruz , Vice Chair Keith-Agaran, and committee members:

The Office of the Governor **strongly supports** Senate Bill 2756. Housing is a top priority for the Ige administration. Governor Ige convened a housing task force comprised of representatives from the Land Use Research Foundation, the Building Industry Association, the development community, housing advocacy organizations, and the state legislature to work collaboratively on solutions to the housing shortage.

This measure supports the goals of that task force by removing the cap on the allocation of conveyance taxes dedicated to the Rental Housing Revolving Fund (RHRF). There is a substantial need for affordable rental housing in Hawaii and lifting the cap would allow a greater infusion of funds into this resource. The RHRF fund has been critical to the delivery of rental units statewide by providing the gap financing necessary to ensure projects are economically feasible.

We urge you to pass this bill. Thank you for the opportunity to testify on this measure.

Denise Iseri-Matsubara
Office of the Governor
(808) 586-0805



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

DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: www.hawaii.gov/dbedt

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
LUIS P. SALAVERIA
Director
Department of Business, Economic Development and Tourism
before the
SENATE COMMITTEE ON WAYS AND MEANS
Tuesday, February 6, 2018
10:00 a.m.
State Capitol, Conference Room 211

in consideration of
S.B. 2756
RELATING TO THE CONVEYANCE TAX.

Chair Dela Cruz, Vice Chair Keith-Agaran and Members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) **strongly supports** SB 2756, an Administration bill to remove the cap on the allocation of conveyance taxes dedicated to the Rental Housing Revolving Fund (RHRF) to support the financing of additional affordable rental housing units statewide.

In Fiscal Year 2017, the RHRF hit the \$38 million cap in April. Based on typical real estate activity in last two months of the fiscal year, the RHRF lost an additional \$6,000,000 that could have supported the financing of an additional 40 affordable rentals. This bill would prevent this situation from recurring.

Thank you for the opportunity to offer support of SB 2756.

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
677 QUEEN STREET, SUITE 300
Honolulu, Hawaii 96813
FAX: (808) 587-0600

IN REPLY REFER TO:

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

SENATE COMMITTEE ON WAYS AND MEANS

February 6, 2018 at 10:00 a.m.
State Capitol, Room 211

In consideration of
S.B. 2756
RELATING TO THE CONVEYANCE TAX.


The HHFDC ***strongly supports*** S.B. 2756, an Administration bill to remove the cap on the allocation of conveyance taxes dedicated to the Rental Housing Revolving Fund (RHRF).

The RHRF was created to fill the financing gap between the cost of developing an affordable rental housing project and the amount of rental income such projects can reasonably expect to generate. The fund currently provides loans or grants to projects that set aside units affordable to families at or below this income range. The RHRF is funded primarily by a dedicated allocation of 50 percent of conveyance taxes, or \$38,000,000, whichever is less.


In Fiscal Year 2016-2017, the statutory maximum of \$38,000,000 in conveyance tax revenues was reached in April 2017. Based on prior year real estate sales activity in the months of May and June, an additional \$6,000,000 could have been deposited into the RHRF if the cap did not exist. If there were no cap, that \$6,000,000 could have financed an additional 40 affordable rental units.

We respectfully request your support of this bill. Thank you for the opportunity to testify.



 | 808-733-7060

 | 808-737-4977

 | 1259 A'ala Street, Suite 300
Honolulu, HI 96817

February 6, 2018

The Honorable Donovan Dela Cruz, Chair

Senate Committee on Ways and Means
State Capitol, Room 211
Honolulu, Hawaii 96813

RE: Senate Bill 2756 Relating to Conveyance Tax

HEARING: Tuesday, February 6, 2018, at 10:00 a.m. in Room 211

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran and Members of the Committee,

I am Ken Hiraki, Director of Government Affairs, here to testify on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i, and its close to 9,500 members. HAR supports Senate Bill 2756, which repeals the statutory cap on the disposition of conveyance taxes dedicated for deposit into the Rental Housing Revolving Fund (RHRF) for the financing of affordable rental housing development.

In 1992, Hawai'i established the Rental Housing Trust Fund, now named RHRF, recognizing the need to establish a fund as a continuous renewable resource to assist very low and low income families and individuals, including the homeless and special need groups, in obtaining rental housing. In order to make the RHRF continuous it was linked to the Conveyance Tax.

HAR has historically supported mechanisms to help increase the supply of low and moderate income affordable housing such as the RHRF Program which can help integrate the use of mixed-income and mixed-use projects, special purpose revenue bonds, low-interest loans, block grants, low-income housing tax credit programs and deferred loan programs to provide rental housing opportunities.

Lastly, as this program helps to increase the availability of rental housing for persons who face obstacles in moving from homelessness to permanent housing and persons with lower incomes who need to find affordable rental housing, HAR believes increasing the allocation to the RHTF should continue to help address the States unique challenges related to affordable housing.

Mahalo for the opportunity to testify in support of this measure.





HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

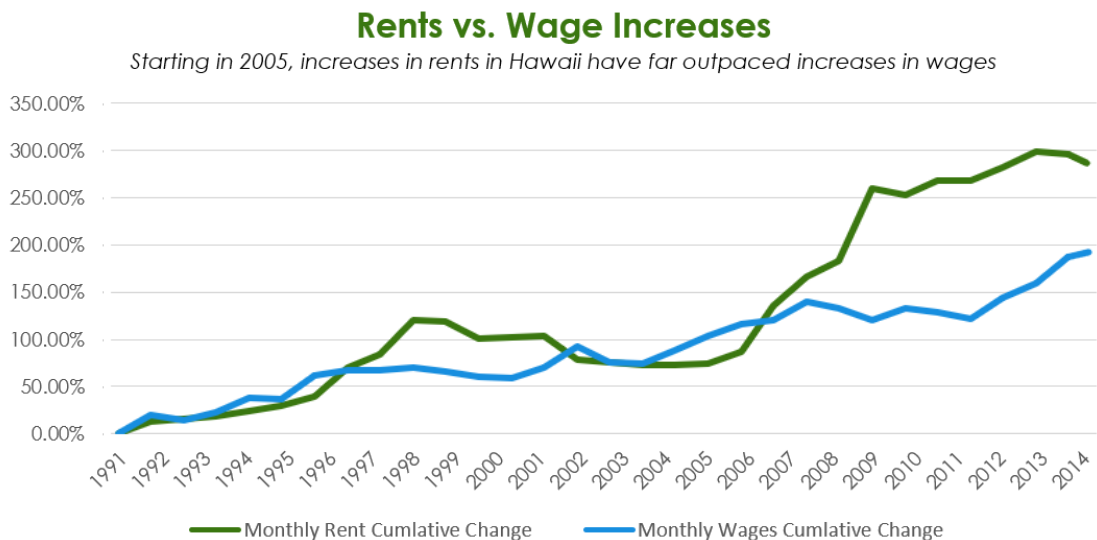
Testimony of Hawai'i Appleseed Center for Law and Economic Justice
Supporting SB 2756, Relating to the Conveyance Tax
Senate Committee on Way and Means
Scheduled for Hearing Tuesday, February 6, 2018 at 10:00 a.m., Conference Room 221

Hawai'i Appleseed Center for Law and Economic Justice Hawai'i Appleseed is committed to a more socially just Hawai'i, where everyone has genuine opportunities to achieve economic security and fulfill their potential. We change systems that perpetuate inequality and injustice through policy development, advocacy, and coalition building.

Dear Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Committee on Ways and Means:

Thank you for the opportunity to testify in **strong support** of SB 2756, which increases the amount of conveyance tax proceeds dedicated to the Rental Housing Revolving Fund (RHRF) to help create additional affordable housing for the many Hawai'i families struggling to make ends meet.

The housing crisis is one of the most critical problems in Hawai'i today. We have the highest housing costs in the nation, the lowest wages when adjusted for cost of living, the highest rate of homelessness, the highest rate of overcrowding in housing, and these problems continue to worsen with housing costs increasing at more than twice the rate of increases in wages. In just one year, from 2015 to 2016, the annual fair market rent for a two-bedroom apartment increased by over \$5,400, while the average annual wage for renters in Hawai'i increased by a mere \$83. Housing has always been expensive in Hawai'i, but as shown by the below graph, the increase in housing costs has become an increasingly serious problem over the last decade.



The increase in housing costs at a more rapid rate than the growth of wages is creating a tremendous barrier for those struggling to make ends meet—a problem that extends beyond just those at the lowest end of the income scale. Nearly half of Hawai'i tenants live in housing that is, by definition, unaffordable, spending more than 35% of household income on their monthly gross rent. Households at the bottom of the income scale face the biggest barriers. For households making \$44,000 a year—two and a half times what a minimum wage earner makes—out of every 100 homes needed, only 40 are affordable and available. All told, the Department of Business, Economic Development & Tourism projects that the state will need an additional 64,700 to 66,000 housing units between 2015 and 2025, yet Hawai'i's housing stock has only been increasing at a rate of 1,115 units per year. As demand outpaces supply, housing prices will continue to rise further and further out of reach for low- and moderate-income families.

This already-a-crisis situation is likely to get even worse if Hawai'i does not take serious action to increase the availability of affordable housing. One of the most important means of funding affordable housing development is the Rental Housing Revolving Fund (RHRF). Much of our affordable housing stock in recent years has been built using the federal Low-Income Housing Tax Credit (LIHTC) program. The LIHTC projects cannot be done with LIHTC alone—the RHRF provides crucial gap financing that the projects need to “pencil out.” Unfortunately, the recently-passed changes to the federal tax system have decreased the value of the Low-Income Housing Tax Credits, and Hawai'i needs more RHRF dollars to simply sustain Hawai'i's current pace of affordable housing development—RHRF funds were awarded for the development of only 326 affordable units in the 2016 calendar year. We need to invest more to build more.

SB 2756 will eliminate the \$38 million cap on the amount of conveyance tax proceeds that go to the RHRF. This change is a critical component of ensuring that Hawai'i adequately invests in affordable housing development.

For these reasons, Hawai'i Appleseed strongly supports SB 2756. Thank you for your consideration of this very important issue.

Hawai'i Construction Alliance

P.O. Box 179441
Honolulu, HI 96817
(808) 348-8885

February 5, 2018

The Honorable Donovan M. Dela Cruz, Chair
The Honorable Gilbert S.C. Keith-Agaran, Vice Chair
and members
Senate Committee on Ways and Means
415 South Beretania Street
Honolulu, Hawai'i 96813

RE: Support for SB2756, Relating to the Conveyance Tax

Dear Chair Dela Cruz, Vice Chair Keith-Agaran, and Members:

The Hawai'i Construction Alliance is comprised of the Hawai'i Regional Council of Carpenters; the Laborers' International Union of North America, Local 368; the Operative Plasterers' and Cement Masons' Union, Local 630; International Union of Bricklayers & Allied Craftworkers, Local 1; and the Operating Engineers, Local Union No. 3. Together, the member unions of the Hawai'i Construction Alliance represent 15,000 working men and women in the basic crafts of Hawai'i's construction industry.

As you know, the Hawai'i Construction Alliance has been extremely concerned about the chronic deficiency of rental apartment housing across the state. Along with our partners in the banking, development, landowning, contracting, architecture, and engineering communities, we formed the "Hawai'i Rental Housing Coalition," with the aim of identifying and carrying out concrete private-sector steps to make a meaningful impact on the economics of building and operating rental housing for families in the 80-140% AMI range.

In addition to our efforts to develop a package of public and private sector incentivizes to catalyze the creation of affordable rental housing, an increase in the funding stream for the Rental Housing Revolving Fund would be extremely helpful in addressing needs throughout the affordability spectrum.

Thank you for the opportunity to provide these comments in **support of SB2756**. Please do not hesitate to contact me should you have any questions.

Mahalo,



Tyler Dos Santos-Tam
Executive Director
Hawai'i Construction Alliance
execdir@hawaiiconstructionalliance.org

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: CONVEYANCE, Remove Cap on Earmark to Rental Housing Revolving Fund

BILL NUMBER: SB 2756; HB 2329

INTRODUCED BY: SB by KOUCHI by request; HB by SAIKI by request

EXECUTIVE SUMMARY:

SYNOPSIS: Amends section 247-7(2), HRS, to delete the \$38 million cap on the conveyance tax revenues to be redirected to the rental housing revolving fund.

EFFECTIVE DATE: July 1, 2018.

STAFF COMMENTS: This is an Administration bill sponsored by the Department of Business, Economic Development, and Tourism and designated BED-14 (18).

The conveyance tax was enacted by the 1966 legislature after the repeal of the federal law requiring stamps for transfers of real property. It was enacted for the sole purpose of providing the department of taxation (which at the time also administered the real property tax) with additional data for the determination of market value of properties transferred. This information was also to assist the department in establishing real property assessed values and at that time the department stated that the conveyance tax was not intended to be a revenue raising device.

Prior to 1993, the conveyance tax was imposed at the rate of 5 cents per \$100 of actual and full consideration paid for a transfer of property. At the time all revenues from the tax went to the general fund. The legislature by Act 195, SLH 1993, increased the conveyance tax to 10 cents per \$100 and earmarked 25% of the tax to the rental housing trust fund and another 25% to the natural area reserve fund. As a result of legislation in 2005 and in 2009, the conveyance tax rates were substantially increased and bifurcated between nonowner-occupied residential properties and all other properties. Tax brackets were based on the amount of the value transferred. Until 2005, 50% of the receipts went into the general fund and the other half was split with the affordable rental housing program and the natural area reserve program. Beginning in 2005, another 10% was taken for the land conservation fund. In 2009, legislators reduced the amount of conveyance tax revenues earmarked to the rental housing trust fund from 30% to 25% until June 30, 2012 in an effort to generate additional revenues for the state general fund. Act 164, SLH 2014, increased the earmark to 50% as of July 1, 2014, and Act 84, SLH 2015, imposed the \$38 million cap on the earmark.

In 2015, the Conference Committee explained the rationale for the cap on the earmark as follows:

Your Committee on Conference finds that budgetary planning and transparency are key components to ensuring the ongoing fiscal health of the State. Your Committee on Conference believes that, by establishing maximum amounts to be distributed to various

non-general funds from the conveyance tax, this measure will make forecasts of general fund revenues more reliable, will increase legislative oversight of agencies and programs supported by the non-general funds, and will subject those agencies and programs to competition for limited public funds if the agencies or programs want more than the amount automatically distributed to their non-general funds.

Reinstating the prior law that contained no cap on the earmarked revenues should be done only with great caution. As with any earmarking of revenues, the legislature will be preapproving each of the programs fed by the fund into which the tax monies are diverted, expenses from the funds largely avoid legislative scrutiny, and the effectiveness of the programs funded becomes harder to ascertain. It is also difficult to determine whether the fund has too little or too much revenue.

If the legislature deems the programs and purposes funded by this revolving fund to be a high priority, then it should maintain the accountability for these funds by appropriating the funds as it does with other programs. Earmarking revenues merely absolves elected officials from setting priorities. If the money were appropriated, lawmakers could then evaluate the real or actual needs of each program.

Digested 2/2/2018



PARTNERS IN CARE

Oahu Continuum of Care

Partners in Care is a coalition of Oahu's homeless service providers, government representatives and community stakeholders working together in partnership to end homelessness.

Testimony in Support of SB2756

Relating to the Conveyance Tax

TO: Senate Committee on Ways and Means
FROM: Partners in Care (PIC)
HEARING: Tuesday, February 6, 2018 at 10:00 a.m., Conference Room 221

Dear Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Committee on Ways and Means:

Thank you for the opportunity to provide testimony on SB2756 which removes the cap on the amount of conveyance tax proceeds paid into the Rental Housing Revolving Fund. Partners in Care (PIC)—a coalition of more than 35 non-profit, homelessness providers—strongly supports SB2756 to increase funding to the RHRF, which provides crucial gap financing for the development of affordable rental housing.

With over half of Hawaii's renters spending more than thirty percent of their income on housing (cost burdened) and one third of Hawaii's renters spending fifty-five percent of their income on housing (extremely cost burdened), our state cannot ignore the need to increase the supply of affordable rentals to drive down housing costs. In addition, over 20% of Hawaii's homeless are working or on a fixed income meaning that a massive infusion of affordable rental housing is required for our state to make additional strides in housing the portion of our homeless population that are simply too economically disadvantaged to remain in housing that is increasing unavailable and unaffordable.

Given the need of bringing online 22,500 additional rental units in the next 10 years (a goal expressly adopted by the state), properly funding the RHRF will be crucial. The recently passed changes to the federal tax system are already decreasing the incentive to purchase Low Income Housing Tax Credits, creating further demand on the RHRF to fill the gap in financing the development of affordable rental housing. However, due to the \$38 million cap, the RHRF lost \$6 million of potential funding in FY2017 that could have been used toward an additional 40 units of affordable rental housing.

SB2756 is timely. We are in the midst of a housing crisis that is getting worse. To turn the tide, we need much, much more in the way of housing subsidies to fund the development of affordable housing in Hawai'i, and SB2756 is an important step in the right direction.

For these reasons, Partners In Care strongly supports SB2756. Thank you for your consideration of this very important bill.

Contact for (PIC) Advocacy Committee: Chair: Gavin Thornton, 808-369-2510, picadvocacychair@gmail.com

PARTNERS IN CARE, c/o Aloha United Way
200 North Vineyard • Suite 700 • Honolulu, Hawaii 96817 • www.PartnersinCareOahu.org



CATHOLIC CHARITIES HAWAII

TESTIMONY IN SUPPORT OF SB 2756: RELATING TO THE CONVEYANCE TAX

TO: Senator Donovan Dela Cruz, Chair, Senator Gilbert Keith-Agaran, Vice Chair, and Members, Committee on Ways and Means
FROM: Terrence L. Walsh, Jr., President and Chief Executive Officer
Hearing: **Tuesday, 2/6/18; 10:00 AM; CR 211**

Thank you for the opportunity to provide testimony **in support** of SB 2756, which repeals the cap on proceeds from the conveyance tax to the Rental Housing Revolving Fund. I am Terry Walsh, with Catholic Charities Hawai'i. We are also a member of Partners in Care.

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for over 60 years. Our mission is to provide services and advocacy for the most vulnerable in Hawai'i. To end homelessness we must create significantly more affordable housing on an ongoing basis. This is a top priority for 2018.

The Star Advertiser (1/10/18) reported on a study by Aloha United Way, which found that nearly half of isle households do not earn enough to cover basic needs, much less save anything for an emergency. Any crisis can put these families at great risk for long-term problems like loss of housing. The situation is dire and demands a great investment to create rental units that struggling families can afford.

The Rental Housing Revolving Fund provides crucial gap financing to build affordable rental projects. However, one major break on the ability of the RHRF to create more affordable housing is the \$38 million cap on funding from the conveyance tax. In FY 2017, the RHRF lost \$6 million in potential funding. Without the cap, the additional funding could have been used toward another 40 units of affordable rental housing.

These annual funds are critical, especially now that the new federal Tax Cut law is cutting into the ability of the RHRF to create new rentals. Due to this new law, it is estimated that the federal Low Income Housing Tax Credits will suffer a loss of 14% in value. This is 14% that projects must now find from other resources like the RHRF, in order to make their housing projects pencil out. Current projects, already "100% funded" now show short-falls of millions of dollars. This added demand on the resources of the RHRF will result in fewer overall units, unless action is taken this year!

The State Legislature tasked the Special Action Team on Affordable Rental Housing to make recommendations on actions to promote rental housing and set a goal of 22,500 additional rental units by the year 2026. This bill is also recommended by the Special Action Team. Catholic Charities Hawaii supports repealing the cap on funding to the RHRF, in order to fund projects not just this year, but ongoing into the future. Hawaii's housing crisis demands a multi-year response. This bill is a strong step in the right direction.

We need to act now. Please contact our Legislative Liaison, Betty Lou Larson, at 373-0356 or bettylou.larson@catholiccharitieshawaii.org, if you have any questions.



CLARENCE T. C. CHING CAMPUS • 1822 Ke'eaumoku Street, Honolulu, HI 96822
Hopeline: (808) 524-4673 • www.CatholicCharitiesHawaii.org



SB-2756

Submitted on: 2/2/2018 10:20:21 AM

Testimony for WAM on 2/6/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Alika Campbell		Support	No

Comments:

I strongly support funding for the Rental Housing Revolving Fund as it is one of the only sources of funding for building low income housing. Steps must be taken to address the critical shortage of housing in Hawaii and it is vital that low income housing be included in the mix.

From: [Marya Grambs](#)
To: [WAM Testimony](#)
Subject: Testimony in SUPPORT of SB 2756
Date: Friday, February 2, 2018 10:12:28 AM

TESTIMONY IN SUPPORT OF SB 2756, RELATING TO THE CONVEYANCE TAX

TO: Senate Committee on Ways and Means

HEARING: Tuesday, February 6, 2018 at 10:00 a.m., Conference Room 221

FROM: Marya Grambs

Member, Board of Directors

Partners in Care

Dear Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Committee on Ways and Means:

As a Board member of Partners in Care I am very concerned about the lack of affordable rental housing. One byproduct this lack is the increase in the homelessness crisis. In 2016, over 5,000 individuals became homeless for the first time - a prime reason being the inability to afford rents in Hawaii.

As the affordable housing crisis worsens in Hawaii, we need to increase funding for the Rental Housing Revolving Fund, which provides crucial gap financing for the development of affordable rental housing. This bill lifts the cap on the Conveyance Tax, which will increase the flow of funding to the Rental Housing Revolving Fund for years to come. With over half of Hawaii's renters spending more than thirty percent of their income on housing, and one-third of Hawaii's renters spending fifty-five percent of their income on housing, we need truly affordable housing now. SB 2756 will help us build it.

Thank you for this opportunity to express my support for SB 2756.

From: [Randy Ching](#)
To: [WAM Testimony](#)
Subject: Testimony in SUPPORT of SB 2756
Date: Friday, February 2, 2018 9:59:50 PM

TESTIMONY IN SUPPORT OF SB 2756, RELATING TO THE CONVEYANCE TAX

TO: Senate Committee on Ways and Means

HEARING: Tuesday, February 6, 2018 at 10:00 a.m., Conference Room 221

FROM: Randy Ching

Dear Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Committee on Ways and Means:

Please pass SB27566. Homelessness is partly caused by the lack of affordable rentals. I pay \$1475 a month for a one bed, one bath half of a duplex. 10 years ago it would have rented for about 1K a month. AirBnB, VRBO and other similar companies have skewed the housing market. Locals now look to visitors (vacation rentals, B & B's) to get much more money on a daily basis than a local renter would pay. This has decreased the stock of housing available for rental by local residents. We have a severe shortage of affordable rentals. It is one of, if not the, most important issue for many residents.

As the affordable housing crisis worsens in Hawaii, we need to increase funding for the Rental Housing Revolving Fund, which provides crucial gap financing for the development of affordable rental housing. This bill lifts the cap on the Conveyance Tax, which will increase the flow of funding to the Rental Housing Revolving Fund for years to come. With over half of Hawaii's renters spending more than thirty percent of their income on housing, and one-third of Hawaii's renters spending fifty-five percent of their income on housing, we need truly affordable housing now. SB 2756 will help us build it.

Thank you for this opportunity to express my support for SB 2756.

From: [Rosita Aranita](#)
To: [WAM Testimony](#)
Subject: Testimony in SUPPORT of SB 2756
Date: Sunday, February 4, 2018 8:00:10 PM

TESTIMONY IN SUPPORT OF SB 2756, RELATING TO THE CONVEYANCE TAX

TO: Senate Committee on Ways and Means

HEARING: Tuesday, February 6, 2018 at 10:00 a.m., Conference Room 221

FROM: Rosita Aranita

Dear Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Committee on Ways and Means:

As the affordable housing crisis worsens in Hawaii, we need to increase funding for the Rental Housing Revolving Fund, which provides crucial gap financing for the development of affordable rental housing. This bill lifts the cap on the Conveyance Tax, which will increase the flow of funding to the Rental Housing Revolving Fund for years to come. With over half of Hawaii's renters spending more than thirty percent of their income on housing, and one-third of Hawaii's renters spending fifty-five percent of their income on housing, we need truly affordable housing now. SB 2756 will help us build it.

I fully support this bill since it is an important mechanism that will promote more construction of needed affordable rentals. I staffed the original Committee that first instituted the Housing Trust Fund now known as the Rental Housing Revolving Fund . I am proud of their fore sight. Many of the homeless families will benefit by the proposed increases.

Thank you for this opportunity to express my support for SB 2756.

Dear Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Committee on Ways and Means:

As the affordable housing crisis worsens in Hawaii, we need to increase funding for the Rental Housing Revolving Fund, which provides crucial gap financing for the development of affordable rental housing. This bill lifts the cap on the Conveyance Tax, which will increase the flow of funding to the Rental Housing Revolving Fund for years to come. With over half of Hawaii's renters spending more than thirty percent of their income on housing, and one-third of Hawaii's renters spending fifty-five percent of their income on housing, we need truly affordable housing now. SB 2756 will help us build it.

Thank you for this opportunity to express my support for SB 2756.

Testifiers:

Jillian Okamoto
Erin Rutherford
Deborah Smith
Eric Englin