

STAND. COM. REP. NO.

2830

Honolulu, Hawaii

FEB 14 2020

RE: S.B. No. 3110  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirtieth State Legislature  
Regular Session of 2020  
State of Hawaii

Sir:

Your Committee on Water and Land, to which was referred S.B. No. 3110 entitled:

"A BILL FOR AN ACT RELATING TO PROPERTY,"

begs leave to report as follows:

The purpose and intent of this measure is to prohibit nonresident aliens and businesses and trusts that are significantly controlled by nonresident aliens from acquiring certain residential property in the State, except as otherwise provided by law.

Your Committee received testimony in support of this measure from nineteen individuals. Your Committee received testimony in opposition to this measure from the Hawaii Association of REALTORS.

Your Committee finds that the high cost of purchasing property has put homeownership out of reach for many families in Hawaii. One factor contributing to the inflated cost of homes is the activity of nonresident alien developers and investors. Speculation in the land market by these developers and investors artificially increases competition in the market and drives prices beyond the resources of individuals and families who would like to purchase homes.



Your Committee also finds that other jurisdictions have restricted nonresident aliens from purchasing land in an attempt to keep prices from being artificially inflated. This measure will prohibit nonresident aliens and businesses and trusts significantly controlled by nonresident aliens from acquiring certain residential property in the State, which will allow more homes to be purchased by the people of Hawaii.

Your Committee is reporting this measure out to facilitate continued review and consideration by the Committee on Judiciary.

Your Committee has amended this measure by:

- (1) Inserting an effective date of December 31, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3110, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3110, S.D. 1, and be referred to your Committee on Judiciary.

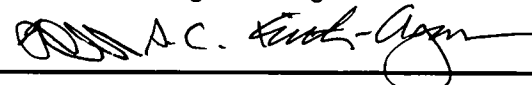
Respectfully submitted on  
behalf of the members of the  
Committee on Water and Land,

  
\_\_\_\_\_  
KAIALI'I KAHELE, Chair



The Senate  
Thirtieth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Water and Land**  
**WTL**

Bill / Resolution No.:*	Committee Referral:	Date:		
<b>SB 3110</b>	<b>WTL, JDC</b>	<b>2/12/20</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KAHELE, Kaiali'i (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)		X		
NISHIHARA, Clarence K.		X		
RIVIERE, Gil	X			
FEVELLA, Kurt	X			
<b>TOTAL</b>	<b>3</b>	<b>2</b>		
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original    Yellow    Pink    Goldenrod File with Committee Report    Clerk's Office    Drafting Agency    Committee File Copy				

\*Only one measure per Record of Votes