Honolulu, Hawaii

FEB 15 , 2022

RE: H.B. No. 2513 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-First State Legislature Regular Session of 2022 State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B. No. 2513 entitled:

"A BILL FOR AN ACT RELATING TO THE RENTAL HOUSING REVOLVING FUND,"

begs leave to report as follows:

The purpose of this measure is to set aside \$150,000,000 of funds in the Rental Housing Revolving Fund for projects or units in a mixed income rental project for persons and families with incomes between sixty-one percent and one hundred percent of the median family income.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation and AARP Hawaii. Your Committee received comments on this measure from Catholic Charities Hawaii.

Your Committee finds that according to testimony from the Hawaii Housing Finance and Development Corporation, the development of affordable rentals for persons and families with incomes between sixty-one percent and one hundred percent of the median family income, otherwise referred as workforce rental housing, has not been historically feasible. Your Committee also finds that the Rental Housing Revolving Fund allows funding up to one hundred forty percent of the area median income. However, the

Rental Housing Revolving Fund rarely gets used for families above sixty percent of the area median income, because the demand for funds from the Rental Housing Revolving Fund far exceeds the available funding for workforce rental housing needs.

Your Committee has amended this measure by:

- (1) Clarifying the use of funds in the Rental Housing Revolving Fund for projects or units in a mixed-income rental project for persons and families with incomes between sixty-one percent and one hundred percent of the median family income, including:
  - (A) Appropriating \$150,000,000 in general revenues for fiscal year 2022-2023 into the Rental Housing Revolving Fund, rather than stating the first \$150,000,000 in the Revolving Fund is to be used for projects or units for these persons and families;
  - (B) Permitting any unused funds in the Revolving Fund, as of June 30, 2023, to be used for other authorized rental housing projects for the purposes of the Revolving Fund; and
  - (C) Specifying that unused funds shall not lapse at the end of the 2022-2023 fiscal year;
- (2) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2513, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2513, H.D. 1, and be referred to your Committee on Finance.

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Respectfully submitted on behalf of the members of the Committee on Housing,

Malie K. Nakamura, Chair

## State of Hawaii House of Representatives The Thirty-first Legislature

HSCR315-22

## **Record of Votes of the Committee on Housing**

Bill/Resolution No.: HB 2513	Committee Referral: HSG, FIN	Date:	2/8/202	-2_
The committee is reconsidering its previous decision on the measure.				
The recommendation is to:  Pass, unamended (as is)  Pass, with amendments (HD)  Hold  Pass short form bill with HD to recommit for future public hearing (recommit)				
HSG Members	Ayes	Ayes (WR)	Nays	Excused
1. NAKAMURA, Nadine K. (C)				
2. HASHIMOTO, Troy N. (VC)				
3. AQUINO, Henry J.C.				The state of the s
3. Agunto, Hemy J.C.				
4. CLARK, Linda		and a standard and a standard and a standard as a standard a stand		direction of the state of the s
5. ILAGAN, Greggor				
6. KITAGAWA, Lisa				
T. I. DDECTI MM.		esa		
7. LoPRESTI, Matthew S.				
8. TAKUMI, Roy M.				
9. McDERMOTT, Bob		77	man mil mlumini militikan kai kuma ki ima'a ma a sa i	
TOTAL (9)	8	$\Theta$	Ð	
The recommendation is:    Adopted   Not Adopted				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				