

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 Hawai'i. Your Committee received comments on this measure from Catholic Charities Hawai'i.

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.



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



NADINE K. NAKAMURA, Chair



