

STAND. COM. REP. NO. **580**

Honolulu, Hawaii

**FEB 19 2021**

RE: S.B. No. 1121  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 1121, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose and intent of this measure is to exempt from general excise taxes housing developed by the Department of Hawaiian Home Lands so that the department may more fully commit its funding toward fulfilling its mission of developing housing.

Your Committee received written testimony in support of this measure from the Department of Taxation, Department of Hawaiian Home Lands, Office of Hawaiian Affairs, and Hawaiian Affairs Caucus of the Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that this measure would save the Department of Hawaiian Home Lands more than \$9,500,000 in general excise taxes for four large-scale development projects that are currently underway. Your Committee further finds that the general excise tax savings that accrue from this measure can be applied to the development of additional housing and associated infrastructure, allowing the Department of Hawaiian Home Lands to more fully commit its funding toward its mission.



Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1121, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1121, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
DONOVAN M. DELA CRUZ, Chair



The Senate  
Thirty-First Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 1121, SD 1	HWN, WAM	2-16-21		
<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
DELA CRUZ, Donovan M. (C)	✓			
KEITH-AGARAN, Gilbert S.C. (VC)	✓			
ENGLISH, J. Kalani	✓			
INOUYE, Lorraine R.	✓			
KANUHA, Dru Mamo	✓			
KIDANI, Michelle N.	✓			
MORIWAKI, Sharon Y.				✓
SHIMABUKURO, Maile S.L.	✓			
TANIGUCHI, Brian T.	✓			
WAKAI, Glenn	✓			
FEVELLA, Kurt	✓			
<b>TOTAL</b>	10			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>				
<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