

STAND. COM. REP. NO.

2214

Honolulu, Hawaii

FEB 10 2022

RE: S.B. No. 3048

S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Housing, to which was referred S.B.
No. 3048 entitled:

"A BILL FOR AN ACT RELATING TO STATE FUNDS,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the transfer of excess moneys from the Rental Housing Revolving Fund to the Dwelling Unit Revolving Fund.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and Hawaii Housing Finance and Development Corporation.

Your Committee finds that the Hawaii Housing Finance and Development Corporation has legacy funds within the Rental Housing Revolving Fund derived from tax-exempt general obligation bond proceeds. The tax-exempt funds have limited usefulness for affordable rental housing development because under United States Treasury regulations, tax-exempt funds cannot be used to finance projects that also use low-income housing tax credits. This measure transfers funds from the Rental Housing Revolving Fund to the Dwelling Unit Revolving Fund, where they can be used to support public infrastructure projects. However, your Committee notes that it has concerns about how the funds in the Rental Housing Revolving Fund and Dwelling Unit Revolving Fund are used



used by the Hawaii Housing Finance and Development Corporation and that there is a need for greater clarity.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

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 S.B. No. 3048, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3048, S.D. 1, and be referred to your Committee on Ways and Means.

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


STANLEY CHANG, Chair



The Senate
 Thirty-First Legislature
 State of Hawai'i

**Record of Votes
 Committee on Housing
 HOU**

Bill / Resolution No.:* SB 3048	Committee Referral: HOU, WAM	Date: 2/8/22
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The Committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312
 Pass, with amendments 2311
 Hold 2310
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
CHANG, Stanley (C)	✓			
KANUHA, Dru Mamo (VC)	✓			
MORIWAKI, Sharon Y.		✓		
RHOADS, Karl		✓		
FEVELLA, Kurt		✓		
TOTAL	2	3		

Recommendation:
 Adopted
 Not Adopted

Chair's or Designee's Signature:

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*Only one measure per Record of Votes