

STAND. COM. REP. NO. **2311**

Honolulu, Hawaii

FEB 15 2022

RE: S.B. No. 3177
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. 3177 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 certain land use regulations for-sale housing projects that, in perpetuity, do not impose income restrictions and are built for qualified owner-occupants who own no other real property.

Your Committee received testimony in opposition to this measure from the Hawaii Housing Finance and Development Corporation.

Your Committee finds that the State faces an unprecedented housing crisis. While many regulations and restrictions on housing development are necessary, some increase the costs associated with the construction of new housing projects. This measure exempts certain for-sale housing projects from restrictions that unnecessarily inhibit the construction of new housing projects. Your Committee further finds that residential units at all price points are needed to solve the housing shortage for Hawaii residents and that utilizing the expedited process in chapter 201H, Hawaii Revised Statutes, is a viable solution.



Your Committee has amended this measure by replacing the contents in section 1 with new language that adds a new section to chapter 201H, Hawaii Revised Statutes, which:

- (1) Establishes a new exemption from statutes, ordinances, charter provisions, and rules;
- (2) Prohibits the implementation of income restrictions for housing projects developed pursuant to the new section;
- (3) Requires housing projects developed pursuant to the new section be exclusively sold or transferred:
 - (A) As leasehold or fee simple units;
 - (B) To owner-occupants;
 - (C) To prospective owners who own no other real property; and
 - (D) To residents of the State; and
- (4) Requires that the provisions of the new section apply in perpetuity.

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. 3177, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3177, S.D. 1, and be referred to your Committees on Ways and Means and Judiciary.

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.:* <i>SB 3177</i>	Committee Referral: <i>HOU, WAM/JDC</i>	Date: <i>2/8/22</i>		
<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
CHANG, Stanley (C)	✓			
KANUHA, Dru Mamo (VC)	✓			
MORIWAKI, Sharon Y.	✓			
RHOADS, Karl	✓			
FEVELLA, Kurt		✓		
TOTAL	4	1		
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>DK</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes