

Honolulu, Hawaii

**MAR 04 2021**

RE: S.B. No. 946  
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. 946, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO COMMERCIAL PROPERTY RENT RELIEF,"

begs leave to report as follows:

The purpose and intent of this measure is to establish a commercial rent relief grant program for certain qualifying owners of commercial, hotel and resort, and industrial properties.

Your Committee received written comments in support of this measure from the Chamber of Commerce Hawaii; Hawaii Farm Bureau; Island Business Management, LLC; Eggs 'n Things Hawaii, Inc.; Hawaii Association of REALTORS; NAIOP Hawaii; Maui Chamber of Commerce; Building Owners and Managers Association of Hawaii; Hawaii Food Industry Association; Morning Brew Cafe; Retail Merchants of Hawaii; Hawaii Restaurant Association; Round Table Pizza; CJ's New York Style Delicatessen/Restaurant; Hawaii Lodging and Tourism Association; Kaimuki Business Professional Association; and one individual.

Your Committee received written comments on this measure from the Department of Taxation.

Your Committee finds that, due to the coronavirus disease 2019 (COVID-19) pandemic and the downturn in the tourism industry,



at least one thousand four hundred local businesses have permanently closed, and another two thousand businesses have suspended their operations temporarily. Your Committee recognizes that rental costs are among the largest expenses for businesses. Your Committee notes that as a number of businesses are not able to assume more debt and are not receiving sufficient governmental support, both lessors and lessees are absorbing rental costs. Your Committee believes that, if this situation continues, the State will see additional business closures, which will cause further damage throughout the tourism industry and in the state economy overall. Accordingly, businesses and landlords need appropriate relief, possibly through federal funds.

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 changes 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. 946, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 946, 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:		
<b>SB 946 , SD 1</b>	<b>CPN, WAM</b>	<b>2/26/21</b>		
<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)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
MORIWAKI, Sharon Y.	X			
SHIMABUKURO, Maile S.L.				X
TANIGUCHI, Brian T.	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
<b>TOTAL</b>	<b>10</b>			<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<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