

JOSH GREEN, M.D.  
GOVERNOR



DENISE ISERI-MATSUBARA  
EXECUTIVE DIRECTOR

**STATE OF HAWAII**  
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM  
**HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION**

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Statement of  
**DENISE ISERI-MATSUBARA**  
Hawaii Housing Finance and Development Corporation  
Before the

**HOUSE COMMITTEE ON HOUSING**

March 22, 2023 at 10:00 a.m.  
State Capitol, Room 312

In consideration of  
**H.C.R. 89/ H.R. 96**  
**REQUESTING THE COUNTIES TO TEMPORARILY ISSUE AFFORDABLE HOUSING  
CREDITS FOR AFFORDABLE HOUSING UNITS THAT ARE CONSTRUCTED  
PURSUANT TO CHAPTER 201H, HAWAII REVISED STATUTES.**

HHFDC offers the following comments on H.C.R. 89/ H.R. 96.

HHFDC shares the concern of skyrocketing property values negatively impacting affordable housing production in Hawaii. However, the affordable housing credits program offered by the counties are complex and need to have adequate internal controls to ensure the credits are properly issued, controlled, and accounted for.

We want to ensure the credits are only used once and not resold, and that they actually generate housing. In Hawaii county, part of the credits was used for a fence instead of housing. HHFDC prefers to collaborate with the counties rather than mandate action,

We would suggest the Legislature consider researching the effectiveness of the current programs to see if they are working properly before expanding it to apply to 201H units.

Thank you for the opportunity to provide testimony.

JOSH GREEN M.D.  
GOVERNOR

SYLVIA LUKE  
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STATE OF HAWAII  
**DEPARTMENT OF TAXATION**

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DEPUTY DIRECTOR

**TESTIMONY OF  
GARY S. SUGANUMA, DIRECTOR OF TAXATION**

**TESTIMONY ON THE FOLLOWING MEASURE:**

H.C.R. 89 and H.R. 96, Requesting the Counties to Temporarily Issue Affordable Housing Credits for Affordable Housing Units That Are Constructed Pursuant to Chapter 201H, Hawaii Revised Statutes

**BEFORE THE:**

House Committee on Housing

**DATE:** Wednesday, March 22, 2023

**TIME:** 10:00 a.m.

**LOCATION:** State Capitol, Room 312

Chair Hashimoto, Vice-Chair Aiu, and Members of the Committee:

The Department of Taxation ("Department") offers the following comments regarding H.C.R 89 and H.R 96, for your consideration.

H.C.R. 89 and H.R. 96 request that the counties issue affordable housing credits to eligible developers for affordable housing units that are constructed pursuant to chapter 201H, Hawaii Revised Statutes (HRS), until July 1, 2031.

The Department notes that H.C.R. 89 and H.R. 96 request that the credits be issued on a one-credit for one-unit basis, but credits are typically issued based on a dollar amount or on a percentage of costs.

Thank you for the opportunity to provide comments on this measure.