

DAVID Y. IGE
GOVERNOR



DENISE ISERI-MATSUBARA
EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
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IN REPLY REFER TO:

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

SENATE COMMITTEE ON HOUSING

February 8, 2022 at 1:00 p.m.
State Capitol, Room 225

In consideration of
S.B. 3167
RELATING TO RENTAL HOUSING.

HHFDC supports S.B. 3167, which re-establishes the Affordable Rental Housing Special Action Team (SAT) to issue additional reports on the affordable rental housing goals set forth in Act 127, Session Laws of Hawaii 2016 in 2023, 2024, and 2025; and produce updates to the State's ten-year plan.

The SAT's July 2018 Affordable Rental Housing Report and Ten-Year Plan identified and mapped approximately 10,688 acres of state, county, and private lands to be prioritized for rental housing through 2026; and set housing production goals for each of the counties, recommending specific implementation actions and clearly identifying the entities responsible for ensuring steady progress.

Re-establishing the SAT would continue and build upon these prior efforts.

Thank you for the opportunity to provide written comments on this bill.

OFFICE OF INFORMATION PRACTICES

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To: Senate Committee on Housing

From: Cheryl Kakazu Park, Director

Date: February 8, 2022, 1:00 p.m.
State Capitol, Conference Room 225 and Via Videoconference

Re: Testimony on S.B. No. 3167
Relating to Rental Housing

Thank you for the opportunity to submit testimony on this bill, which would re-establish a special action team on rental housing to issue reports on affordable rental housing goals. The Office of Information Practices (OIP) takes no position on the substance of this bill, but **offers comments and a proposed amendment regarding a provision on page 5** stating the team “shall regularly hold public meetings without regard to chapter 92[.]”

Part I of chapter 92, HRS, is the Sunshine Law, which sets the standard for government boards of what it means to hold public meetings. The provision requiring the team to hold public meetings “without regard to chapter 92” is presumably intended to exempt the group from the Sunshine Law but still require it to hold public meetings. Unlike public meetings held under the Sunshine Law, though, these “public meetings” would lack any kind of standard for what qualifies a gathering as a public meeting. Is the team required to provide some sort of advance notice? To accept public testimony? To keep any sort of minutes? Can they limit the “public” attendance to people who sign up a week in advance? Since the only guidance this bill provides for the team’s required public meetings is that

they shall be “without regard to chapter 92,” all these questions would be potential sources of dispute running counter to the bill’s apparent intent to ensure public access to and participation in the team’s work, and could ultimately cloud public acceptance of that work.

OIP further notes that the Sunshine Law is only part I of chapter 92, and the remainder of the chapter includes miscellaneous provisions on, for instance, measuring quorum, authorizing copy charges for public records, and neighborhood boards. It is not clear why the team would be exempted from these.

In the absence of any reason that compliance with the Sunshine Law would be particularly onerous for the proposed team, **OIP recommends that this Committee simply delete the proposed exemption from chapter 92, so that proposed subsection (c) at page 5, lines 5-6, reads simply:**

(c) The special action team shall regularly hold public meetings.

However, if there is a reason why full Sunshine Law compliance would be problematic for the team, OIP would be happy to work with this Committee and interested parties on language for a team-specific permitted interaction or similar partial exception to address the specific issues that are anticipated to pose problems.

Thank you for considering OIP’s testimony.

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON HOUSING
ON
SENATE BILL NO. 3167

February 8, 2022
1:00 p.m.
Room 225 and Videoconference

RELATING TO RENTAL HOUSING

The Department of Budget and Finance (B&F) offers comments on this bill.

Senate Bill (S.B.) No. 3167 re-establishes a special action team (SAT) on rental housing to issue reports on the affordable housing goals set forth in Act 127, SLH 2016; appropriates an unspecified amount of general funds for FY 23; and authorizes a 1.00 full-time equivalent temporary planner position for the operation and administration of the SAT. Updates from the SAT should include a proposal to update the Hawai'i State Planning Act to include the State Housing Plan.

The first SAT was established pursuant to Act 127, SLH 2016, and last provided a report to the Governor in 2018 with proposed updates to the State's ten-year plan. The SAT authorized by Act 127, SLH 2016, was dissolved in 2019. The newly proposed SAT would similarly provide additional reports in 2023, 2024, and 2025 and produce updates to the ten-year plan. B&F defers to the affected agencies on the need to re-establish the SAT as proposed in S.B. No. 3167.

B&F also notes that, with respect to the general fund appropriation in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that

states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

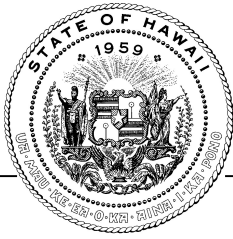
- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.



**STATE OF HAWAII
OFFICE OF PLANNING
& SUSTAINABLE DEVELOPMENT**

DAVID Y. IGE
GOVERNOR

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Statement of
MARY ALICE EVANS
Director, Office of Planning and Sustainable Development
before the
SENATE COMMITTEE ON HOUSING
Tuesday, February 8, 2022
1:00 PM
State Capitol, Conference Room 225

in consideration of
SB 3167
RELATING TO RENTAL HOUSING

Chair Chang, Vice Chair Kanuha, and Members of the Senate Committee on Housing.

The Office of Planning and Sustainable Development (OPSD) **supports the intent** of SB3167, which re-establishes a special action team on affordable rental housing to issue reports on the affordable rental housing goals set forth in Act 127, SLH 2016, and appropriates funds.

The Office of Planning implemented the original Special Action Team on Affordable Rental Housing from FY 2017 through FY2019, when a final report was transmitted to the Legislature and the public. The temporary exempt planning analyst position that staffed the project became vacant and funds were deleted in May 2020 along with all other vacant positions.

The value of this project was recognized as OPSD received requests for the data that was collected and vetted by the Special Action Team on land parcels statewide suitable for development of affordable rental housing. Further, as OPSD continues to support the TOD Council work on identifying opportunities and barriers to creation of new housing close to public transit corridors statewide, it is recognized that the database of land parcels suitable for affordable rental housing and the ten-year plan need to be up-to-dated for the use of both government agencies and private developers.

If it is the intent of this Committee to move this measure forward for further discussion, OPSD appreciates the inclusion of an appropriation and the establishment and filling of one full-time FTE temporary planner position, unless it displaces Administration budget priorities.

Thank you for the opportunity to testify on this measure.

Statement Before The
SENATE COMMITTEE ON HOUSING
TUESDAY, FEBRUARY 8, 2022
1:00 PM
Via Videoconference and Conference 225

in consideration of
SB 3167
RELATING TO HOUSING.

Chair CHANG, Vice Chair KANUHA, and Members of the Senate Housing Committee

Common Cause Hawaii offers comments on SB 3167, which re-establishes a special action team on rental housing to issue reports on the affordable rental housing goals set forth in Act 127, Session Laws of Hawaii 2016 and appropriates funds.

Common Cause Hawaii is a nonprofit, nonpartisan, grassroots organization focused on upholding the core values of American democracy through increasing civic engagement and breaking down the barriers to participation in our government.

Common Cause Hawaii understands the depth and seriousness of the housing issue in Hawaii and appreciates that SB 3167, at page 2, lines 16-19, re-establishes “the affordable rental housing special action team to issue additional reports in 2023, 2024, and 2025 and produce updates to the State's ten—year plan.”

Common Cause Hawaii, however, questions why “[t]he special action team shall regularly hold public meetings without regard to chapter 92, Hawaii Revised Statutes.” See SB 3167, at page 5, lines 5-6. Given the demand for rental units in Hawaii, the special action team should be subject to Sunshine Law. Stating that the special action team will hold public meetings but not requiring the public meetings to follow the Sunshine Law’s timely notice requirements, minutes requirements, etc. will leave the public out of this every important discussion. “Opening up the governmental processes to public scrutiny and participation is the only viable and reasonable method of protecting the public’s interest.” Hawaii Revised Statutes § 92-1. This is especially true with regards to the rental housing issue.

Thank you for the opportunity to offer comments on SB 3167. If you have any questions, please contact me at sma@commoncause.org.

Very respectfully yours,

Sandy Ma
Executive Director, Common Cause Hawaii



SENATE COMMITTEE ON HUMAN SERVICES
SENATE COMMITTEE ON HOUSING
Tuesday, February 8, 2022, 1 pm, Conference Room 225 & Videoconference
SB 3167
Relating to Rental Housing

TESTIMONY

Douglas Meller, Legislative Committee, League of Women Voters of Hawaii

Chair Chang and Committee Members:

The League of Women Voters of Hawaii does not understand why Section 3(c) of SB 3167 proposes that “The special action team shall regularly hold public meetings without regard to Chapter 92, Hawaii Revised Statutes.” If the Legislature wants the public to have the right to notice, the right to attend, the right to review meeting handouts, or the right to submit oral and written testimony at meetings, or if the Legislature wants a quorum to make decisions, then SB 3167 should not totally exempt the proposed temporary special action team on affordable rental housing from Chapter 92, Hawaii Revised Statutes.

Thank you for the opportunity to submit testimony.