

Honolulu, Hawaii

MAR 23 2023

RE: H.B. No. 676
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committees on Water and Land and Government Operations,
to which was referred H.B. No. 676, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO DISTRICT BOUNDARY AMENDMENTS,"

beg leave to report as follows:

The purpose and intent of this measure is to authorize the appropriate county land use decision-making authority to determine district boundary amendments involving certain land areas greater than fifteen acres if the county has adopted an ordinance that meets certain requirements.

Your Committees received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Office of Housing and Community Development of the County of Hawai'i, Hawai'i Association of REALTORS, Building Industry Association of Hawaii, and Maui Chamber of Commerce. Your Committees received testimony in opposition to this measure from the Office of Hawaiian Affairs, Life of the Land, Hawai'i Farm Bureau, Kihei Community Association, The Friends of Makakilo, Hawaii's Thousand Friends, Ka Makani O Kohala Ohana, Hawaii Reef and Ocean Coalition, Climate Protectors Hawaii, and six individuals. Your Committees received comments on this measure from the Land Use Commission, Department of Agriculture, Sierra Club of Hawai'i, and Grassroot Institute of Hawaii.



Your Committees find that the lack of affordable housing in the State requires innovative solutions to incentivize development. Your Committees further find that currently, the Land Use Commission has the sole authority over district boundary amendments involving lands greater than fifteen acres, which at times can create a bottleneck. Your Committees believe that by granting the counties instead with such authority, in certain circumstances, affordable housing projects can be expedited, thereby lowering developer costs and ultimately increasing the general availability of affordable housing units throughout the State. Therefore, this measure amends the law relating to district boundary amendments to help counties accelerate the development of affordable housing.

Your Committees have amended this measure by:

- (1) Adding that the ordinance adopted by a county shall require that at least seventy-five percent of the housing units on the land be set aside for persons and families with incomes at or below one hundred percent of the area median income; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

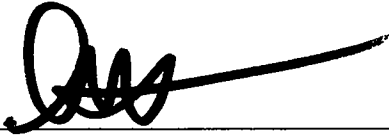
Lastly, your Committees expressed concerns that although this measure appropriately gives additional authority and flexibility to the counties to make certain district boundary amendments to lands greater than fifteen acres, this measure does not provide any cap or limiting authority that would, upon reaching a certain acreage size, return the authority back to the Land Use Commission. Your Committees note that the measure, S.B. No. 469, S.D. 1 (Regular Session 2023), a substantially similar measure that was passed by your Committee on Water and Land, included a cap on county authority by limiting the counties' jurisdiction to amendments involving fifteen to fifty acres of land. Should your Committee on Judiciary choose to deliberate on this measure, your Committees respectfully request that it considers further examining establishing a cap or limit on the counties' district boundary amendment authority.

As affirmed by the records of votes of the members of your Committees on Water and Land and Government Operations that are



attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 676, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 676, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary.

Respectfully submitted on behalf of the members of the Committees on Water and Land and Government Operations,



ANGUS L.K. MCKELVEY, Chair

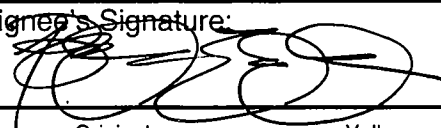


LORRAINE R. INOUE, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Water and Land
WTL

Bill / Resolution No.:* HB 676, HDI	Committee Referral: WTL / GVD, JDC	Date: 3/20/23		
<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
INOUYE, Lorraine R. (C)	✓			
ELEFANTE, Brandon J.C. (VC)		✓		
CHANG, Stanley	✓			
MCKELVEY, Angus L.K.	✓			
FEVELLA, Kurt			✓	
TOTAL	3	1	1	ϕ
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designer's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

