

STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

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Testimony of the Department of Commerce and Consumer Affairs

**Before the
House Committee on Consumer Protection and Commerce
Wednesday, February 15, 2023
2:00 p.m.
Conference Room 329**

**On the following measure:
H.B. 1236 H.D.1, RELATING TO AFFORDABLE HOUSING**

Chair Nakashima and Members of the Committee:

My name is Iris Ikeda and I am the Commissioner of Financial Institutions, Department of Commerce and Consumer Affairs (Department). The Department offers comments this bill.

The purpose of this bill is to allow a bank to invest, in aggregate, up to two per cent of the bank's total assets in limited partnerships, limited liability partnerships, limited liability companies, and corporations formed to invest in affordable housing residential properties and requires approval from the commissioner of financial institutions to exceed this amount.

The Department has the following concerns that the banks may unintentionally create a safety and soundness situation if the loans are not repaid as required and a situation that the banks may not receive the tax credits that they are entitled of franchise tax for low income housing. Both these situations will impact the franchise tax revenues that Department of Financial Institutions (DFI) receives.

As a self-funded agency, approximately half of DFI's revenues comes from the franchise tax which comports to about 48% of DFI's time spent on supervision and examination of our banks. Section 241-7, Hawaii Revised Statutes, provide that DFI receives \$2million from the franchise tax paid by the banks. The DFI would not be able to collect the \$2million from the state-chartered banks annually if the banks did not pay franchise tax due to the deferred tax situation created by the proposal. Without the revenues derived from the franchise tax, the DFI would require the ability to make up this revenue shortfall elsewhere.

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



**Testimony to the House Committee on Consumer Protection & Commerce
Wednesday, February 15, 2023, at 2:00pm
Conference Room 329 & Videoconference**

RE: HB 1236 HD1 Relating to Affordable Housing

Aloha Chair Nakashima, Vice Chair Sayama, and members of the committee,

The Chamber of Commerce Hawaii ("The Chamber") **supports HB 1236 HD1**, which allows a bank to invest, in aggregate, up to two per cent of the bank's total assets in limited partnerships, limited liability partnerships, limited liability companies, and corporations formed to invest in affordable housing residential properties. Requires approval from the commissioner of financial institutions to exceed this amount.

When polling our membership on issues that affect the economy, affordable housing and the cost of living always rise to the top. A 2019 study commissioned by DBEDT noted that the State will need an additional 50K new housing units by year 2025 (Oahu needing 22K new housing units, Hawaii Island needing 13K new housing units, Maui County needing 10K new housing units, Kauai needing 4K new housing units). Over 60% of the new housing units need is for residents at or below 80% of Area Median Income (AMI) in Hawaii.

While home ownership is a goal that many people in our state are striving for, renting a home in Hawaii is still unaffordable, and only getting worse. The annual cost reaching \$30K compared to annual salaries of \$60K. Per a 2021 study by NiceRx the average cost of rent in Hawaii was \$29,772 with residents spending about 49.3% of their income on rent, well above the 30% guideline for spending on housing costs. Hawaii residents are spending 49.3% of their salaries, virtually half of their earnings, just to cover the cost of rent. Those residents earning below 80% of AMI are unable to secure affordable housing.

Many of our businesses in the community are stepping up to solve the affordable housing crisis. Our local banks are interested in investing in affordable housing residential properties to drive the cost down for all our residents. This bill increases the Low Income Housing Tax Credit investment limit for local banks to a level already permitted by the federal government. Without the lending support of local banks, Low Income Housing Tax Credit development in Hawaii is unnecessarily limited. Affordable housing is crucial to serve our workforce needs and to keep businesses thriving.

Overall, we need our business community to be a part of the solution when addressing societal problems. Affordable housing is not only economic issue, but a human issue. The Chamber of Commerce Hawaii supports our local banks addressing the issue by investing more in projects throughout the state, including our neighbor islands.



Chamber *of* Commerce HAWAII

The Voice of Business

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

Thank you for the opportunity to testify.



February 13, 2023

Committee: House Committee Consumer Protection and Commerce
Bill Number: HB 1236 HD1, Relating to Affordable Housing
Hearing Date and Time: February 15, 2023, 2:00pm
Re: Testimony of HPM Building Supply in Support

Dear Chair Nakashima, Vice Chair Sayama, and members of the Committee,

I am writing to express my strong support for HB 1236, which allows a bank to invest, in aggregate, up to two per cent of the bank's total assets in limited partnerships, limited liability partnerships, limited liability companies, and corporations formed to invest in affordable housing residential properties and requires approval from the commissioner of financial institutions to exceed this amount.

HPM Building Supply is a 100% employee-owned company serving Hawaii's home improvement market and building industry for over 100 years since 1921. With 17 locations across Hawaii and Washington State, we offer various services and products, including retail stores, building supply and lumber yards, Home Design Centers, drafting, design, roofing, and manufacturing facilities. HPM is dedicated to enhancing homes, improving lives, and transforming communities. The company is guided by its core values of Heart, Character, and Growth, striving to provide top-quality products and exceptional customer service. HPM has earned recognition as a leader in the industry for its products, services, and commitment to its community.

HB 1236 represents a significant opportunity for financial institutions to play a role in addressing the shortage of affordable housing in Hawaii. The bill will allow these institutions to support construction of affordable housing, which will positively impact the lives of many families and individuals struggling to find affordable places to live.

The Low Income Housing Tax Credit (LIHTC) program, enables developers to provide affordable rental housing to local families and kupuna. LIHTC provides long-term, subsidized, rent-restricted housing for low-income households with incomes up to 80% of the area median income (AMI). The program provides a dollar-for-dollar reduction in federal income tax liability for developers, leveraging federal subsidies for Hawaii. The program also supports jobs in Hawaii, as LIHTC projects are built by local union laborers, including plumbers, steamfitters, and metal workers.

Currently, local banks are limited by Hawaii law in investing in LIHTCs. This bill increases the LIHTC investment limit for local banks to a level already permitted by the federal government, enabling more investment in LIHTC projects. LIHTC is the federal government's primary program for encouraging private investment in the development of affordable rental housing for low-income households and has successfully attracted private dollars to create affordable housing.

In the past couple of years, we have seen an increase in demand for subsidized rental housing, and the demand for investment in LIHTC projects has expanded. There have been LIHTC projects on all islands,





BUILD BETTER. LIVE BETTER.

including over 10 projects on the Island of Hawaii, 4 projects on Kauai, 12 projects on Maui, and 17 projects throughout Oahu.

We respectfully request your favorable consideration of HB 1236 and support for this critical measure. The bill will allow local banks to invest in LIHTC projects and support the creation of more affordable housing for our communities.

Sincerely,

Jason Fujimoto
President & CEO



PHONE 808.966.5466 • FAX 808.966.7564
16-166 MELEKAHIWA STREET • KEA'AU, HI 96749

HPMHAWAII.COM



*Expanding the range of opportunities for all by
developing, managing and promoting quality
affordable housing and diverse communities.*



Testimony of EAH Housing | Hawaii Region
RELATING TO HB1236 HD1

February 15, 2023 at 2:00 PM
Written Testimony Only

Committee on Consumer Protection & Commerce
Chair Mark Nakashima, Vice Chair Jackson Sayama,
Members Terez Amato, Della Au Belatti, Cedric Asuega Gates,
Mark J. Hashem, Natalia Hussey-Burdick, Nicole Lowen,
Richard Onishi, Adrian Tam, and Elijah Pierick

Strong Support

The change to HRS §412:5-305 (h) specified in HB1236 HD1 allows a bank to invest, in aggregate, up to two per cent of the bank's total assets in limited partnerships, limited liability partnerships, limited liability companies, and corporations formed to invest in affordable housing residential properties and requires approval from the commissioner of financial institutions to exceed this amount.

This measure increases the low income housing tax credit (LIHTC) investment limit for local banks to a level already permitted by the federal government. Without the continued lending support of local banks, LIHTC development in Hawaii will be unnecessarily constrained in addressing the soaring demand for affordable rental housing.

Thank you for the opportunity to provide input and we ask for your favorable consideration in passing on HB1236 HD1.

A handwritten signature in black ink that reads "Karen Seddon". The signature is written in a cursive, flowing style.

Karen Seddon, Regional Vice President
EAH Housing

EAH Housing is a non-profit corporation founded with the belief that attractive affordable rental housing is the cornerstone to sustainable, healthy, and livable communities.

1001 Bishop Street, Suite 2880
Honolulu, Hawaii 96813
(808) 466-7774



February 13, 2023

Representative Mark M. Nakashima, Chair
Representative Jackson D. Sayama, Vice Chair
Members of the Committee on Consumer Protection
& Commerce

RE: **HB 1236, HD1 – RELATING TO AFFORDABLE HOUSING**
Hearing date – February 15, 2023 at 2:00 PM

Aloha Chair Nakashima, Vice Chair Sayama and members of the committee,

My name is Moe Mohanna and I am President of Highridge Costa Development Company (“HCDC”). Thank you for allowing me to submit testimony in **SUPPORT of HB 1236, HD1 – RELATING TO AFFORDABLE HOUSING**. HCDC is an affordable housing developer with significant experience in Hawaii. We currently have over 2,300 affordable rental units in development or operation throughout Oahu and Maui, including downtown Honolulu, Kapolei, Waipahu and Kihei. HCDC works closely with various state and local agencies to bring low- and moderate-income housing to communities Hawaii’s communities.

HB 1236 HD1, would allow a bank to invest, in aggregate, up to 2% of the bank’s total assets in a company, such as an LLC, which was formed to invest in affordable housing residential properties. The bill would also allow the commissioner of financial institutions to approve amount in excess of 2%.

As a developer, owner and operator of affordable housing in the State of Hawaii, we understand the critical need for significantly more affordable housing to address the needs of local residents, who are far too “rent-burdened,” and often spend close to 50% of their incomes on rent. As importantly, we recognize and support those efforts that reduce or eliminate the impediments to achieving that goal. The enactment of this bill will revise the State’s limitation to align it more with the federal rules. The bill will also allow local banks, which are a major source of financing for local affordable housing projects, to increase such investment. Indeed, most Hawaii affordable housing projects receive a large portion of financing from local banks. With HB 1236 being passed, local banks would likely double the current amount invested, leading to more capital available for these projects.

Aloha,

Moe Mohanna, President
Highridge Costa Development Corporation

Representative Mark Nakashima, Chair
Representative Jackson Sayama, Vice Chair
Committee on Consumer Protection & Commerce

RE: HB 1236 HD1 - Relating to Affordable Housing – In Support
February 15, 2023; 2 PM; Conference Room 329, State Capitol

Aloha Chair Nakashima, Vice Chair Sayama and Members of the Committee:

Central Pacific Bank (“CPB”) is submitting testimony in Support of HB 1236 HD1, which allows a bank to invest, in aggregate, up to two per cent (2%) of the bank’s total assets in limited partnerships, limited liability partnerships, limited liability companies, and corporations formed to invest in affordable housing residential properties and requires approval from the commissioner of financial institutions to exceed this amount.

CPB requested the introduction of HB 1236 to enable CPB to do more to support affordable housing in Hawaii. Due to CPB’s size in relation to its current funding of low-income housing tax credit (“LIHTC”) project investments and desire to fund future LIHTC projects, CPB is admittedly in a unique position of needing passage of this bill versus other banks. And, accordingly, CPB wants to be very clear that CPB is not in submitting this testimony, speaking for or on behalf of any other Hawaii banks who either do not invest in LIHTCs or due to their larger size have a larger LIHTC investment limit.

CPB fully appreciates the Hawaii Division of Financial Institution’s (“DFI”) need for funding and would not want the passage of this bill to adversely impact the DFI’s current funding. CPB would also not want the passage of this bill to adversely impact the other banks. CPB believes (but cannot confirm) that the collective franchise taxes paid by it and the other banks well exceeds the \$2 million the DFI receives in annual funding.

Safety and soundness is not compromised for the reasons below.

This bill amends State banking law to be consistent with Federal banking law. State law currently requires DFI approval before a bank can invest in a single LIHTC project in an amount exceeding 2% of a bank’s capital and surplus. Hawaii law also requires DFI approval before a bank’s aggregate investments in LIHTCs can exceed 5% of a bank’s capital and surplus. And Hawaii law prohibits a bank from aggregate investments in LIHTCs exceeding 10% of a bank’s capital and surplus. By comparison, the Federal Deposit Insurance Corporation (“FDIC”) which is CPB’s federal bank regulator, allows banks to invest an aggregate amount in LIHTCs up to 2% of a bank’s total assets without any FDIC approval needed.

The DFI and FDIC exercise strong oversight of banks. The DFI and FDIC examine CPB annually to ensure CPB operates in a safe and sound manner, which examinations include a review of CPB’s LIHTC investments. If the DFI or FDIC were to have any concern over CPB’s LIHTC investments or respecting any of CPB’s other activities, the DFI and FDIC have within their supervisory authority and under State and Federal laws and regulations, the authority to limit, restrict or prohibit CPB’s LIHTC investments. The DFI or FDIC has over CPB’s existence, examined and not had any concern over CPB’s LIHTC investments, all of which LIHTC investments have performed, and none of which CPB has taken any loss.

CPB exercises strong investment protocols. CPB maintains strong investment protocols, to include rigorous due diligence and reviews of proposed LIHTC investments by internal committees, pursuant to established policies and procedures. For CPB invested LIHTCs, CPB conducts regular monitoring. CPB has not in its long history of investing in LIHTCs taken any loss and all its LIHTC investments have performed.

CPB requests an increase in the statutory LIHTC limit due to CPB’s unique situation. This bill raises the individual and aggregate limits by which CPB could invest in LIHTCs, by allowing CPB to invest in LIHTCs up to 2% of

CPB's total assets, which is a greater amount than allowed under the current statute. Thus, if this bill passes, CPB would be able to increase its investments in LIHTCs and support more LIHTC projects in Hawaii.

CPB and other banks are allowed under current DFI laws/regulations and FDIC laws/regulations to make larger and more complex individual and aggregate loans and investments without the same level of regulatory restrictions and limits as are imposed on LIHTCs. For example, CPB and other banks are allowed to make and participate with other banks in large multi-million dollar residential and commercial construction loan projects and in large multi-million dollar investments without DFI or FDIC approval. Banks are specially staffed and experienced in making large and complex loans and investments.

CPB has total loans of \$5.5 billion, total investment securities of \$1.3 billion, and total assets of \$7.4 billion. Accordingly, with the bill's passage and increase in LIHTC investment limit, CPB's increase in LIHTC limit would not present any additional significant risk to the Bank.

CPB must and does per DFI law/regulations and FDIC laws/regulations maintain safe and sound loan and investment criteria, policies, procedures, practices, which include internal executive and committee level reviews and monitoring, all of which is audited by independent auditors both internal and external, which is overseen by an independent Board of Directors, and which are annually examined by the DFI and FDIC.

CPB wants to support more low income and affordable housing. CPB wants to continue to contribute to low income and affordable housing in Hawaii through investments in LIHTCs and the passage of this bill will provide CPB and other banks with the same flexibility and increased LIHTC investment limit that the FDIC already allows.

Please Support HB 1236 HD 1. CPB requests your favorable consideration in passing this measure. As a bank founded by those intent on serving the underserved, CPB would like to be able to do more to support low income and affordable housing development and units for Hawaii's citizens and residents.

Thank you for your time and attention.

Arnold Martines
President & Chief Executive Officer
Central Pacific Bank



Representative Mark M. Nakashima, Chair
Representative Jackson D. Sayama, Vice Chair
Members of the Committee on Consumer Protection
& Commerce

RE: **HB 1236 – RELATING TO AFFORDABLE HOUSING**
Hearing date – February 15, 2023 at 2:00 p.m.

Aloha Chair Nakashima, Vice Chair Sayama and members of the committee,

Thank you for allowing NAIOP Hawaii to submit testimony in **SUPPORT OF HB 1236 – RELATING TO AFFORDABLE HOUSING**. NAIOP Hawaii is the Hawaii chapter of the nation’s leading organization for office, industrial, retail, residential and mixed-use real estate. NAIOP Hawaii has over 200 members in the State including local developers, owners, investors, asset managers, lenders and other professionals.

Hawaii is in a housing crisis. In 2019, a study commissioned by DBEDT found that Hawaii will need an additional 50,156 homes by 2025. In order to meet this projection housing units will need to be developed in mass quantities. The affordable housing credit program seeks to assist in accomplishing this goal.

Furthermore, purchasing a home has become increasingly more difficult for local residents. Interest rates for 30 years fixed residential mortgages have significantly risen from 3.07% to 6.90% within the past 2 years representing a near 150% increase. This has led to a dramatic increase in monthly costs of owning a home in Hawaii. Moreover, the recent increases in interest rates have decreased the sales prices of income specified units built under HRS 201H due to the AMI price limitations. In conjunction, construction loan interest rates have increased from .05% to 3.81% representing a nearly seventy-five-fold increase which dramatically increase the costs of building residential units. The rising construction costs combined with the dramatic drop in sales prices due to AMI limitations has limited the feasibility of affordable housing projects.

In addition, Hawaii has the most unaffordable rent in the nation with the annual cost reaching \$30,000 compared to annual salaries of \$60,000. Per a 2021 study by NiceRx the average cost of rent in Hawaii was \$29,772 with residents spending about 49.3% of their income on rent, well above the 30% guideline. Those residents earning below 80% of AMI are unable to secure affordable housing and are forced to move outside of Hawaii.

Representative Mark M. Nakashima, Chair
Representative Jackson D. Sayama, Vice Chair
Members of the Committee on Housing
February 15, 2023
Page 2

NAIOP Hawaii is concerned that development of affordable housing projects may cease if policies are not implemented which provide a source of capital and offset some of these rising costs, which would further strain the local's ability to continue to make Hawaii their home.

HB 1236 would help to resolve some of these issues by increasing the capital available for affordable housing projects. The bill would allow a bank to invest up to 2% of the banks total assets in an entity formed to invest in affordable housing residential properties and would allow the commissioner of financial institutions to approve a higher investment amount. This bill increases the LIHTC investment limit for local banks to a level already permitted by the federal government. It is anticipated that the amount of capital available from local banks for investment in affordable housing would double. In addition, allowing the 2% total asset limit in HB 1236 is consistent with federal guidelines. Without the lending support of local banks, LIHTC development in Hawaii is unnecessarily limited and hinders the development of affordable housing.

Accordingly, NAIOP Hawaii strongly supports HB 1236 which will ensure the continued production of homes for locals.

Mahalo for your consideration,



Jennifer Camp, President
NAIOP Hawaii

February 14, 2023

Dear Chair Nakashima, Vice Chair Sayama and friends on the Committee on Consumer Protection and Commerce,

I write in support of HB1236HD1, allowing banks to invest up to two per cent of total assets in limited partnerships, limited liability partnerships, limited liability companies, and corporations formed to invest in affordable housing residential properties.

One of the rate limiting factors for new construction and rehabilitation of affordable units is access to capital. HB1236HD1 increases the available supply of capital.

Please disregard the earlier testimony of Commissioner Ikeda. Her testimony assumes that banks will make unsound investments in affordable housing and jeopardize their total financial positions such that they're unable to pay the \$2 million in franchise tax that supports her department.

Her scenario requires that *EVERY* state-chartered bank in the state would fail to pay the *TOTAL* amount of the franchise tax in the same year. This is absurd.

Banks are risk averse by definition. And they hedge their bets.

Housing is a collateralized investment: in the event of an emergency a bank could liquidate their housing holdings or (more likely) borrow against the land value of the housing. But such an emergency is extraordinarily unlikely.

Please support HB1236HD1.

Thank you,



Sterling Higa
Executive Director
Housing Hawai'i's Future

sterling@hawaiifuture.org

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hawaiifuture.org



February 15, 2023

TO: HONORABLE MARK NAKASHIMA, CHAIR, HONORABLE JACKSON SAYAMA, VICE CHAIR, COMMITTEE ON CONSUMER PROTECTION & COMMERCE

SUBJECT: **SUPPORT OF H.B. 1236, RELATING TO AFFORDABLE HOUSING.**
Allows a bank to invest, in aggregate, up to two per cent of the bank's total assets in limited partnerships, limited liability partnerships, limited liability companies, and corporations formed to invest in affordable housing residential properties. Requires approval from the commissioner of financial institutions to exceed this amount.

HEARING

DATE: Wednesday, February 15, 2023
TIME: 2:00 p.m.
PLACE: Capitol Room 329

Dear Chair Nakashima, Vice Chair Sayama and Members of the Committee,

The General Contractors Association of Hawaii (GCA) is an organization comprised of approximately five hundred (500) general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is the largest construction association in the State of Hawaii. Our mission is to elevate Hawaii's construction industry and strengthen the foundation of our community.

GCA is in support of H.B. 1236, which allows a bank to invest, in aggregate, up to two per cent of the bank's total assets in limited partnerships, limited liability partnerships, limited liability companies, and corporations formed to invest in affordable housing residential properties. Requires approval from the commissioner of financial institutions to exceed this amount.

The State of Hawaii is in a housing shortage crisis. A 2019 study commissioned by DBEDT noted that the State will need an additional 50K new housing units by year 2025 (Oahu needing 22K new housing units, Hawaii Island needing 13K new housing units, Maui County needing 10K new housing units, Kauai needing 4K new housing units). Over 60% of the new housing units need is for residents at or below 80% of Area Median Income (AMI) in Hawaii.

LIHTC provides long-term (60+ yrs) subsidized, rent restricted housing for our local families and kapuna. LIHTC provides a dollar-for-dollar reduction in federal income tax liability for developers of rental housing serving low-income households with incomes up to 80% of AMI. LIHTC projects use over \$300MM federally secured bonds, annually. These federal monies are used to invest in Hawaii annually. Federal tax credits provide up to 30% of the costs of a LIHTC project, leveraging federal subsidies for Hawaii. Various other funds support LIHTCs all of which enable developers to pursue LIHTC projects (HOME Investment Partnership, Community



**GENERAL
CONTRACTORS
ASSOCIATION
OF HAWAII**

Development Block Grant (CDBG), Affordable Housing Program of the Federal Loan Banks, National Trust Fund, Rental Housing Revolving Fund (RHRF).

This bill increases the LIHTC investment limit for local banks to a level already permitted by the federal government. Without the lending support of local banks, LIHTC development in Hawaii is unnecessarily limited.

Thank you for the opportunity to testify in support of this measure.

QUALITY PEOPLE. QUALITY PROJECTS

Ahe Group
157 Makawao Street
Honolulu, Hawaii 96734

Testimony in Support of HB1236 HD1, Related to Affordable Housing

House Committee on Consumer Protection & Commerce
Hawaii State Capitol, Conference Room 329
February 15, 2023

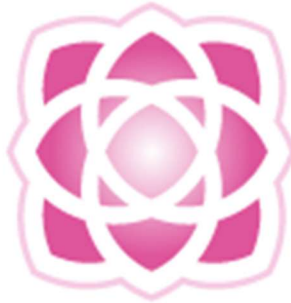
HB1235 HD1 allows banks to invest, in aggregate, up to two per cent of the bank's total assets in limited partnerships, limited liability partnerships, limited liability companies, and corporations formed to invest in affordable housing residential properties through the low income housing tax credit program and requires approval from the commissioner of financial institutions to exceed this amount. We are in strong support of this measure.

Since its founding in 2014 the Ahe Group has been engaged in the development of new affordable housing projects and the preservation and enhancement of existing affordable housing throughout Hawaii. The low income housing tax credit program has been an indispensable tool to finance our affordable housing projects, and local financial institutions vital partners in providing interim and permanent financing.

HB1235 will provide local banks with greater capacity to invest in projects assisted through the low income housing tax credit program which will help local developers like the Ahe Group meet our community's need for more affordable housing. We therefore encourage your favorable consideration of HB1235 HD1



Makani Maeva
Managing Director



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

**HEARING BEFORE THE HOUSE COMMITTEE ON
CONSUMER PROTECTION & COMMERCE
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 329
WEDNESDAY, FEBRUARY 15, 2023 AT 2:00 P.M.**

To The Honorable Mark M. Nakashima, Chair
The Honorable Jackson D. Sayama, Vice Chair
Members of the committee on Consumer Protection & Commerce

SUPPORTING HB1236 HD1 RELATING TO AFFORDABLE HOUSING

The Maui Chamber of Commerce supports HB1236 which allows a bank to invest, in aggregate, up to two per cent of the bank's total assets in limited partnerships, limited liability partnerships, limited liability companies, and corporations formed to invest in affordable housing residential properties and requires approval from the commissioner of financial institutions to exceed this amount.

The Chamber can agree with this proposal because it will allow banks more flexibility in funding affordable housing projects.

For this reason, we **support HB1236 HD1**.

Sincerely,

A handwritten signature in cursive script that reads "Pamela Tumpap".

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

HB-1236-HD-1

Submitted on: 2/15/2023 1:19:50 AM

Testimony for CPC on 2/15/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ruth Love	Individual	Oppose	Written Testimony Only

Comments:

Let the bank determine their own investments.

They are a business and will either thrive or fail depending on their business acumen.

Thank you,

Mrs Ruth Love