

STAND. COM. REP. NO.

544

Honolulu, Hawaii

FEB 16 , 2023

RE: H.B. No. 1246  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B. No. 1246 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Authorize the issuance of general obligation bonds, to be deposited into the Dwelling Unit Revolving Fund and Rental Housing Revolving Fund; and
- (2) Appropriate funds into and out of the Dwelling Unit Revolving Fund and Rental Housing Revolving Fund.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Hawai'i Association of RELATORS, Catholic Charities Hawai'i, NAIOP Hawaii, Highridge Costa Development Company, Stanford Carr Development, and one individual.

Your Committee finds that the State has a housing supply problem and investment is needed to meet housing challenges. According to a 2019 report by the Department of Business, Economic Development, and Tourism, the State will require approximately fifty thousand housing units by 2025 to meet housing demands.

2023-1588 HB1246 HD1 HSCR HMSO



This measure provides significant funding for primary financing programs of the Hawaii Housing Finance and Development Corporation to help the State meet its housing demands.

Your Committee has amended this measure by:

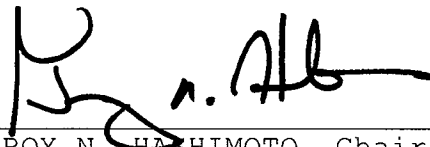
- (1) Authorizing the Hawaii Housing Finance and Development Corporation to issue bonds for infrastructure projects, in addition to housing projects, and to finance the development of regional state infrastructure projects;
- (2) Including proceeds from bonds issued for regional state infrastructure projects as a source of revenue in each regional state infrastructure subaccount;
- (3) Authorizing regional state infrastructure subaccount revenues to be used to repay regional state infrastructure project bond holders;
- (4) Changing the appropriations and general bond obligation authorizations to unspecified amounts;
- (5) Deleting language that would have appropriated funds and authorized the issuance of general obligation bonds into and out of the Rental Housing Revolving Fund;
- (6) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests your Committee on Finance, should it deliberate on this measure, to consider appropriation amounts of \$65,000,000 into and out of the Dwelling Unit Revolving Fund and \$50,000,000 in general obligation bonds into and out of the Dwelling Unit Revolving Fund. Your Committee notes that the Hawaii Housing Finance and Development Corporation has approximately \$65,000,000 worth of proposed projects for fiscal year 2023-2024 and the University of Hawaii West Oahu may use approximately \$30,000,000 of Dwelling Unit Revolving Fund monies to develop roughly five hundred housing units if on-site infrastructure is funded.



As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1246, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1246, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Housing,



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TROY N. HASHIMOTO, Chair



