

STAND. COM. REP. NO.

3167

Honolulu, Hawaii

MAR 20 2024

RE: H.B. No. 2548  
H.D. 3  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B. No. 2548, H.D. 3, entitled:

"A BILL FOR AN ACT RELATING TO ACCESSORY DWELLING UNITS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish the Accessory Dwelling Unit Loan Program to provide loans and technical assistance grants for the development of accessory dwelling units; and
- (2) Establish the Accessory Dwelling Unit Loan Revolving Fund and appropriate funds into and out of the Revolving Fund to implement the Accessory Dwelling Unit Loan Program.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, County of Hawai'i Office of Housing and Community Development, AARP Hawai'i, Council for Native Hawaiian Advancement, Hawaii Habitat for Humanity Association, one member of the Maui County Council, and one individual.

Your Committee received comments on this measure from the Department of Budget and Finance.



Your Committee finds that the State is undergoing a housing shortage and constructing accessory dwelling units is a critical part of addressing the housing shortage. However, traditional financing for accessory dwelling units may be difficult for many homeowners to secure. Therefore, this measure aims to overcome this obstacle by establishing an Accessory Dwelling Unit Loan Program to address the costs associated with building accessory dwelling units.

Your Committee notes that loan programs with favorable terms but limited funding can become "lottery ticket" programs, in which a lucky few recipients receive large financial benefits, while the vast majority of eligible recipients remains in the exact same situation. To avoid such a situation, your Committee suggests a narrower targeting of the eligible beneficiary class to more thoughtfully ensure that the funds go where they are needed most. Your Committee respectfully asks that these issues be considered as this measure moves through the legislative process.

Your Committee has amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

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. 2548, H.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2548, H.D. 3, S.D. 1, and be referred to your Committee on Ways and Means.

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

  
STANLEY CHANG, Chair



The Senate  
Thirty-Second Legislature  
State of Hawai'i

Record of Votes  
Committee on Housing  
HOU

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 2548 HD3	HOU, WAM	3/12/24		
<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
CHANG, Stanley (C)	✓			
HASHIMOTO, Troy N. (VC)	✓			
AQUINO, Henry J.C.	✓			
KANUHA, Dru Mamo				✓
AWA, Brenton			✓	
			✓	
<b>TOTAL</b>	3	0	1	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes