

STAND. COM. REP. NO.

1295

Honolulu, Hawaii

MAR 17, 2023

RE: S.B. No. 1352
S.D. 2
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 S.B. No. 1352, S.D. 2, 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 counties to promote certain labor standards through zoning ordinances;
- (2) Include off-site construction of a public work project under the State's prevailing wage requirements; and
- (3) Require all orders from the Governor to set aside public lands for the development of affordable housing projects to contain a provision that the construction of the development be subject to the State's prevailing wage requirements.

Your Committee received testimony in support of this measure from the Chief Housing Officer of the Office of the Governor, one member of the Hawai'i County Council, Operating Engineers Local Union No. 3, Pacific Resource Partnership, and Hawai'i State AFL-CIO. Your Committee received comments on this measure from the

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Department of Taxation, Department of the Attorney General, Tax Foundation of Hawaii, Building Industry Association of Hawaii, and Maui Chamber of Commerce.

Your Committee finds that the State has reached the tipping point of the housing shortage problem and this measure attempted to address this crisis. However, your Committee notes the concerns of the Department of the Attorney General that the S.D. 2 version of this measure may be outside the scope of the original purpose of this measure as introduced, and therefore may present a germaneness issue and require two additional readings in the Senate to comply with article III, section 15 of the Hawaii State Constitution. Your Committee recognizes these concerns and also believes that the content found in the S.D. 2 version of this measure may be better placed in another vehicle to help address the high costs associated with the development of affordable housing in the State.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and inserting certain provisions from the S.D. 1 version, which:
 - (A) Amends the definition of "historic property";
 - (B) Temporarily allows the State Historic Preservation Division to contract out for third-party reviews of applications and notifications; and
 - (C) Establishes a sunset date of July 1, 2028;
- (2) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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 S.B. No. 1352, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1352, S.D. 2, H.D. 1, and be referred to your Committee on Water & Land.



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



TROY N. HASHIMOTO, Chair



