

STAND. COM. REP. NO.

2140

Honolulu, Hawaii

FEB 06 2024

RE: S.B. No. 2029

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 S.B. No. 2029 entitled:

"A BILL FOR AN ACT RELATING TO INCLUSIONARY ZONING,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Prohibit any law, ordinance, or rule from imposing an inclusionary zoning requirement on housing offered exclusively for sale in perpetuity to buyers who are residents of the State, are owner-occupants or renters, and do not own any other real property; and
- (2) Require each county to submit certain reports to the Legislature.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation and Church of the Crossroads.

Your Committee received testimony in opposition of this measure from the City and County of Honolulu Department of Planning and Permitting.

Your Committee received comments on this measure from the Grassroot Institute of Hawaii.



Your Committee finds that the counties play a major role in setting policies that impact the production of housing in the State. Your Committee recognizes that counties have used inclusionary zoning rules to encourage the creation of affordable housing in the State. According to testimony received by your Committee, well-intentioned inclusionary zoning makes housing less affordable, since developers respond to such mandates by building fewer affordable housing units. This measure will provide a strong incentive for the production of housing units at all price points, thereby allowing developers to meet the housing needs of the State.

Your Committee has amended this measure by:

- (1) Inserting legislative findings;
- (2) Deleting language that would have required counties to submit certain reports to the Legislature; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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. 2029, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2029, S.D. 1, and be referred to your Committees on Judiciary and 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:		
SB 2029	HOU, JDC/WAM	1/30/24		
<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)	X			
HASHIMOTO, Troy N. (VC)	X			
AQUINO, Henry J.C.	X			
KANUHA, Dru Mamo				X
AWA, Brenton			X	
TOTAL	3	0	1	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee'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