

STAND. COM. REP. NO. 1447-24

Honolulu, Hawaii

MAR 27 , 2024

RE: H.R. No. 70
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.R. No. 70
entitled:

"HOUSE RESOLUTION URGING THE HAWAII HOUSING FINANCE AND
DEVELOPMENT CORPORATION TO ADOPT ADMINISTRATIVE RULES TO
CREATE A PROCESS UNDER SECTION 201H-38, HAWAII REVISED
STATUTES, FOR HOUSING PROJECTS EXCLUSIVELY FOR SALE OR RENT
TO QUALIFIED RESIDENTS AS DEFINED IN SECTION 201H-32, HAWAII
REVISED STATUTES, WHO ARE DEEMED TO BE MODERATE INCOME
HOUSEHOLDS,"

begs leave to report as follows:

The purpose of this measure is to urge the Hawaii Housing
Finance and Development Corporation to adopt administrative rules
to create a process for housing projects to be exclusively for
sale or rent to qualified residents.

Your Committee received comments on this measure from the
Hawaii Housing Finance and Development Corporation.

Your Committee finds that the State is experiencing a severe
shortage of housing. To address the housing shortage, existing
law authorizes certain housing projects to be exempt from all
State laws and rules relating to planning, zoning, construction of
dwelling units, under certain conditions. However, your Committee
further finds that recent interest rates have increased to the

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point where it is no longer feasible to finance housing construction under the restrictions in existing law. Your Committee believes that the State must further incentivize the development of housing for residents by creating a new pathway for projects to seek exemption from state laws, county charters or ordinances, or rules.

Your Committee has amended this measure by:

- (1) Clarifying that the Hawaii Housing Finance and Development Corporation is urged to amend their administrative rules to establish another pathway for housing projects seeking an exemption from state laws and rules, including meeting existing requirements, not having an affordability requirement or income restrictions, and dedicating one hundred percent of the units in the project exclusively for qualified residents for the lifetime of the project;
- (2) Amending the recipients of certified copies of this measure;
- (3) Amending its title in accordance with its amended purpose; and
- (4) 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 concurs with the intent and purpose of H.R. No. 70, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 70, H.D. 1.

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


LUKE A. EVSLIN, Chair *for*



