

STAND. COM. REP. NO.

483

Honolulu, Hawaii

FEB 12 , 2025

RE: H.B. No. 417
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Housing, to which was referred H.B. No. 417
entitled:

"A BILL FOR AN ACT RELATING TO THE RENTAL HOUSING REVOLVING
FUND,"

begs leave to report as follows:

The purpose of this measure is to establish a Housing
Efficiency and Innovation Subaccount within the Rental Housing
Revolving Fund to be used for providing loans or credit
enhancements to certain projects on state or county-owned land and
state-funded housing projects.

Your Committee received testimony in support of this measure
from the Hawaii Housing Finance and Development Corporation;
Holomua Collaborative; Title Guaranty of Hawai'i; HPM Building
Supply; Mana Up; Tori Richard, Ltd.; and Hawai'i Gas. Your
Committee received comments on this measure from the Department of
Budget and Finance.

Your Committee finds that the housing crisis in Hawaii
continues to drive families out of the State in search of
affordable housing. The Rental Housing Revolving Fund provides
equity gap low-interest loans to qualified owners and developers
building affordable housing. However, your Committee further
finds that despite the success of the Rental Housing Revolving

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Fund, existing prioritization of projects limit the breadth of projects and residents who can benefit from the Rental Housing Revolving Fund. Your Committee believes that increasing the types of projects that can be funded by the Rental Housing Revolving Fund would directly address the lack of affordable and stable rental housing in the State.

Your Committee notes that the main purpose and intent of the Rental Housing Revolving Fund is focused on affordable rental housing projects, rather than for-sale projects. However, your Committee believes that there should be further discussion on whether there is value in increasing the flexibility of the Rental Housing Revolving Fund so that its funds can be used for affordable rental projects and for-sale projects to ensure that there is sufficient funding to help families achieve homeownership.

Your Committee has amended this measure by:

- (1) Clarifying that loans from the Housing Efficiency and Innovation Subaccount are to be used solely for rental housing projects, instead of for-sale and rental housing projects;
- (2) Changing the effective date to July 1, 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 H.B. No. 417, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 417, H.D. 1, and be referred to your Committee on Finance.



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

ZAC

LUKE A. EVSLIN, Chair



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Bill/Resolution No.: HB417		Committee Referral: HSG.FIN		Date: 2/7/25
<input checked="" type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to:				
<input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HSG Members	Ayes	Ayes (WR)	Nays	Excused
1. EVSLIN, Luke A. (C)	✓			
2. MIYAKE, Tyson K. (VC)	✓			
3. COCHRAN, Elle				✓
4. GRANDINETTI, Tina Nakada	✓			
5. KILA, Darius K.				✓
6. KITAGAWA, Lisa	✓			
7. LA CHICA, Trish	✓			
8. MURAOKA, Christopher L.	✓			
9. PIERICK, Elijah	✓			
TOTAL (9)	7	0	0	2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:	[Signature]			
Distribution:	Original (White) – Committee	Duplicate (Yellow) – Chief Clerk's Office	Duplicate (Pink) – HMSO	