STAND. COM. REP. NO.

486

Honolulu, Hawaii

FEB 12 ' 2025

RE: H.B. No. 529

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. 529 entitled:

"A BILL FOR AN ACT RELATING TO STATE FINANCES,"

begs leave to report as follows:

The purpose of this measure is to authorize the Hawaii Housing Finance and Development Corporation to secure a line of credit or other instrument of indebtedness for the Bond Volume Cap Recycling Program.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation. Your Committee received comments on this measure from Department of Budget and Finance.

Your Committee finds that a line of credit is needed for private activity bond recycling to provide liquidity and ensure that funds are readily available to pay off existing bonds as they mature or are redeemed. The line of credit acts as a financial bridge, maintaining continuity in funding and avoiding disruptions in the financing structure, which is critical for compliance with federal law for qualified bonds. This measure will allow the Hawaii Housing Finance and Development Corporation to retire old bonds while waiting for new bonds to be issued or for class flows from the underlying projects to become available.

2025-1615 HB529 HD1 HSCR HMS0

Your Committee has amended this measure by:

- (1) Clarifying that the Hawaii Housing Finance and Development Corporation may secure revenue bonds as a line of credit or other instrument of indebtedness for the Bond Volume Cap Recycling Program;
- (2) Changing the line of credit or other instrument of indebtedness amount to an unspecified amount; and
- (3) Changing the effective date to July 1, 3000, to encourage further discussion.

Your Committee respectfully requests your Committee on Finance, should it deliberate on this measure, to consider a line of credit or other instrument of indebtedness amount of \$300,000,000.

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. 529, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 529, H.D. 1, and be referred to your Committee on Finance.

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

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LUKE A. EVSLIN, Chair

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State of Hawaii House of Representatives The Thirty-third Legislature

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Record of Votes of the Committee on Housing

Bill/Resolution No.: HB 529	Committee Referral: HS4 ₁ F1N	Date	17/25	>
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold 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)				
	The His Tyle			
2. MIYAKE, Tyson K. (VC)				
3. COCHRAN, Elle				
4. GRANDINETTI, Tina Nakada				er galican a Asalisack
			i ili	
5. KILA, Darius K.			11 min 1 min	
C VITACANIA L				
6. KITAGAWA, Lisa	posonalis be 3			
7. LA CHICA, Trish		Telephone Security (1984)		
8. MURAOKA, Christopher L.		A Land Service Control of the Contro		
				(46 - 17 a (30) - 12 (10) (5 - 14 a (3) a (3) a (3)
9. PIERICK, Elijah			_ .	
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TOTAL (9)	1	0	0	7
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				