STAND. COM. REP. NO. 476

Honolulu, Hawaii

FEB 1 3 2025

RE: S.B. No. 662 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Sir:

Your Committee on Housing, to which was referred S.B. No. 662 entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require the Hawaii Housing Finance and Development Corporation (HHFDC) to transfer the public roads of the Villages of Kapolei to the City and County of Honolulu by January 1, 2026; and
- (2) Authorize county police officers to enforce the statewide traffic code on all public streets, roadways, and highways within the State.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Office of the Mayor of the City and County of Honolulu, and one individual.

Your Committee finds that the City and County of Honolulu has refused dedication of the roads connecting the Villages of Kapolei. These improvements were constructed by HHFDC's predecessor over thirty years ago and continue to be the responsibility of HHFDC. HHFDC is required to maintain the roads

at a cost of \$1,000,000 per year out of the Dwelling Unit Revolving Fund without commensurate revenue to maintain the roadways, despite the county benefiting from the revenue generated by the improvements. Therefore, this measure offers a solution to ownership of the roadways and enables HHFDC to spend its funds for the continued development of affordable housing units statewide.

Your Committee notes that HHFDC and the City and County of Honolulu have been in active negotiations regarding the dedication of road infrastructure connecting the Villages of Kapolei. While the negotiations have produced a reasonable agreement for road dedication, negotiations have halted due to pending legislation. Your Committee further notes that if pending legislation does not move forward, both parties have committed to resuming negotiations to ensure a solution amenable to all. Therefore, this measure serves as an incentive for the parties to swiftly conclude the dedication and produce a solution for the people of Kapolei.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment 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. 662, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 662, S.D. 1, and be referred to your Committee on Ways and Means.

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

STANLEY CHANG, Chair

The Senate Thirty-Third Legislature State of Hawai'i

Record of Votes Committee on Housing HOU

Bill / Resolution No.:*	Committee Referral:			Date:	
SB 642	Hov. WAM			2/11/25	
The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
CHANG, Stanley (C)		/			
HASHIMOTO, Troy N. (VC)		/			
AQUINO, Henry J.C.		/			
KANUHA, Dru Mamo					
FEVELLA, Kurt					
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TOTAL		5	0	0	\$ Opr
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original File with Committee Re	Yellow Pink Goldenrod Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes