

RE: S.B. No. 39

S.D. 2

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii
Sir:

Your Committee on Finance, to which was referred S.B. No. 39, S.D. 2, H.D. 1, entitled:
"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Clarify that eligibility for the general excise tax exemption includes the nonreceipt of direct or indirect financing for a construction project from the Hawaii Housing Finance and Development Corporation;
- (2) Allow certain affordable rental housing projects of the Hawaii Housing Finance and Development Corporation to receive a waiver of various development-related fees from a county; and
- (3) Remove the limit on the type of costs eligible for exemption from the general excise tax for the development of affordable rental housing certified by the Hawaii Housing Finance and Development Corporation.

Your Committee received testimony in support of this measure from the Kohala Coast Resort Association; Stanford Carr Development, LLC; and one individual. Your Committee received comments on this measure from the Department of Budget and Finance.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 39, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

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

SYLVIA LUKE, Chair