

STAND. COM. REP. NO. 723
Honolulu, Hawaii

RE: S.B. No. 4
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii
Sir:

Your Committee on Judiciary, to which was referred S.B. No. 4, S.D. 1, entitled:
"A BILL FOR AN ACT RELATING TO INCLUSIONARY ZONING,"

begs leave to report as follows:

The purpose and intent of this measure is to:

(1) Prohibit any law, ordinance, or rule from imposing an inclusionary zoning requirement on housing offered exclusively for sale in perpetuity to buyers who are residents of the State, are owner-occupants, and do not own any other real property; and

(2) Require each county to submit a report on inclusionary zoning requirements to the Legislature every year until the Regular Session of 2026.

Your Committee received testimony in support of this measure from the Building Industry Association of Hawaii and one individual. Your Committee received testimony in opposition to this measure from the Office of Hawaiian Affairs and Department of Planning and Permitting of the City and County of Honolulu.

Your Committee finds that the State is experiencing a severe shortage of affordable housing. However, there has been a lack of measurable progress at the county level to enact policies that will stimulate housing production to meet the housing demand. Your Committee believes that this measure incentivizes the production of housing units at all price points and encourages more developers to build affordable housing in the State for residents.

Your Committee has amended this measure by inserting an effective date of May 6, 2137, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 4, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 4, S.D. 2.

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

KARL RHOADS, Chair