

STAND. COM. REP. NO. 736  
Honolulu, Hawaii

RE: S.B. No. 40  
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. 40, S.D. 1, entitled:  
"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose and intent of this measure is to allow owner-occupant projects to qualify, without income restrictions, as a housing project that may be exempt from certain statutes pursuant to the provisions of section 201H-38, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Land Use Research Foundation of Hawaii.

Your Committee received comments on this measure from the Hawaii Housing Finance and Development Corporation.

Your Committee finds that a critical need exists for housing for low-income residents in the State. Your Committee further finds that state and county regulations increase the required time and financial investment for property development and that this increase, while necessary in many instances, has the potential to inflate the cost to produce new housing projects and homeownership opportunities. By providing Hawaii residents with more opportunities to purchase a home, the State would be moving toward fulfilling the housing objectives and policies for socio-cultural advancement outlined in the Hawaii State Planning Act, as codified in section 226-19, Hawaii Revised Statutes.

Your Committee notes a concern raised at hearing that exempting certain housing projects from regulations and safeguards under chapter 6E, Hawaii Revised Statutes, could lead to the disruption of burial sites or other historically and culturally important places, and that such concern may merit further discussion as this measure proceeds in the legislative process.

Your Committee has amended this measure by:

- (1) Inserting an effective date of May 6, 2137, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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. 40, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 40, S.D. 2.

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

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KARL RHOADS, Chair