

Honolulu, Hawaii FEB 13 , 2025

RE: H.B. No. 525 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. 525 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 dwelling units under the Rent-to-Own Program shall be units that are for sale in fee simple or leasehold on state or county land under a lease with an initial term of no less than ninety-nine years; and
- (2) Increase the time the sales price under the Rent-to-Own Program must remain fixed from five years to ten years.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation and three individuals.

Your Committee finds that developing innovative homeownership pathways for residents is crucial in addressing the State's ongoing housing shortage. Your Committee further finds the Rentto-Own Program managed by the Hawaii Housing Finance and Development Corporation offers an alternative route to homeownership for lower-income households. Under this program, a



STAND. COM. REP. NO. 583 Page 2

portion of the rent paid goes toward the eventual purchase of a home, thereby allowing renters to build equity over time. This measure enables more individuals and families to transition into homeownership by expanding the types of eligible units under the Rent-to-Own Program.

Your Committee has amended this measure by:

- Changing the effective date to July 1, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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. 525, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 525, H.D. 1, and be referred to your Committee on Finance.

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

LUKE A. EVSLIN, Chair



## State of Hawaii House of Representatives The Thirty-third Legislature



## Record of Votes of the Committee on Housing

Bill/Resolution No.: HB 525	Co	mmittee Refe HSG <sub>1</sub> F1				12-	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 (WI	Ayes (WR) Nays		Excused
1. EVSLIN, Luke A. (C	)		$\checkmark$				
2. MIYAKE, Tyson K. (	(VC)		$\checkmark$	i i ja sonati		Na series de la companya de la comp	
3. COCHRAN, Elle							
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4. GRANDINETTI, Tin	a Nakada	Sta pët		1793)			
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5. KILA, Darius K.			$\checkmark$				
6. KITAGAWA, Lisa			$\checkmark$				
7. LA CHICA, Trish						TRU	
8. MURAOKA, Christo	nhor I	od <u>5</u> 22		1 Berling			
8. WORAOKA, Christo							
9. PIERICK, Elijah	an a	34. <u>19</u> . (1)	J		1997-1997 (1997) 1997-1997 (1997)	<b></b>	
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TOTAL	(9)		8	0	C	7	1
The recommendation is:	Adopted		Not Adopte				
If joint referral, did not support recommendation.							
Vice Chair's or designee's signature:							
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