

STAND. COM. REP. NO. 1659

Honolulu, Hawaii

APR 03 2025

RE: H.B. No. 740
H.D. 2
S.D. 2

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

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 740, H.D. 2, 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 establish an accessory dwelling unit financing and deed restriction program under the Hawaii Housing Finance and Development Corporation.

Your Committee received written comments in support of this measure from the Hawaii Housing Finance and Development Corporation, Catholic Charities Hawaii, Hawaii Appleseed Center for Law and Economic Justice, Hawaii Community Foundation, Holomua Collaborative, Hope Services Hawaii, HPM Building Supply, Mana Up, The Chamber of Commerce Hawaii, Title Guaranty of Hawaii, We Are One, Inc., YIMBY Hawaii, and eight individuals.

Your Committee received written comments on this measure from the Department of Taxation and Hawaii Association of REALTORS.

Your Committee finds that increasing the supply of accessory dwelling units is an important strategy to help address the shortage of rental housing units in Hawaii. Your Committee further finds that the costs of constructing accessory dwelling units can be prohibitive for homeowners. Your Committee believes



that providing financial assistance for these projects will encourage homeowners to build accessory dwelling units and thereby help increase the rental housing supply. In addition, restricting the occupancy of the properties to owner-occupants or tenants who work at or are retired from work at a Hawaii business will ensure that the benefits of the assistance program continue to accrue to the Hawaii workforce housing supply.

Your Committee has amended this measure by appropriating an unspecified amount, for fiscal year 2025-2026, into and out of the Dwelling Unit Revolving Fund, to be expended by the Hawaii Housing Finance and Development Corporation for the purposes of infrastructure projects.

Your Committee recommends an appropriation amount of \$20,000,000 into the Dwelling Unit Revolving Fund.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 740, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 740, H.D. 2, S.D. 2.

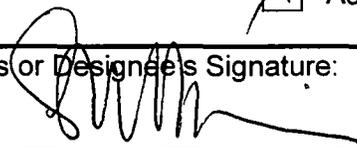
Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



The Senate
 Thirty-Third Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* HB740 HD2 SD1	Committee Referral: HOU, WAM	Date: 3/31/2025		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
AQUINO, Henry J.C.	X			
DECOITE, Lynn	X			
ELEFANTE, Brandon J.C.	X			
HASHIMOTO, Troy N.	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
TOTAL	13	0	0	0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes