

Honolulu, Hawaii

MAY 01 , 2026

RE: H.B. No. 1741
H.D. 2
S.D. 1
C.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 1741, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Deem a county inclusionary mandate as a form of development exaction and treat the mandate as a housing affordability impact fee, with certain exemptions;
- (2) Prohibit a county from adopting, amending, or enforcing an inclusionary mandate for residential or mixed-use development, under certain circumstances; and



- (3) Establish additional requirements for a needs assessment study for a county-imposed inclusionary mandate.

Your Committee on Conference has amended this measure by:

- (1) Delaying the operative date of this measure by one year, to July 1, 2029;
- (2) Clarifying that the requirements of this measure apply to a county's adoption or amendment of an inclusionary mandate, and not to a county's enforcement of such a mandate;
- (3) Clarifying the requirements and components of the needs assessment study;
- (4) Authorizing, instead of prohibiting, a county to adopt or amend an inclusionary mandate if the county satisfies certain requirements;
- (5) Expanding the exemptions from this measure to include any county inclusionary mandate that requires ten percent or less of the total dwelling units to be provided or funded as below-market-rate dwelling units;
- (6) Updating the preamble;
- (7) Changing the effective date to upon approval; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

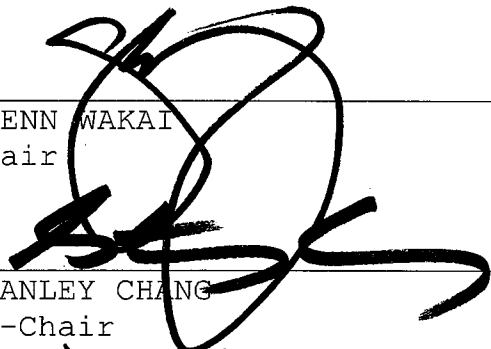
As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1741, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1741, H.D. 2, S.D. 1, C.D. 1.




Respectfully submitted on behalf
of the managers:

ON THE PART OF THE SENATE


ON THE PART OF THE HOUSE



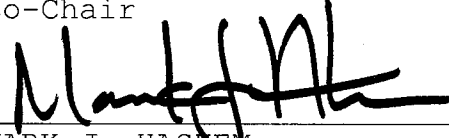
GLENN WAKAI
Chair




LUKE A. EVSLIN
Co-Chair




STANLEY CHANG
Co-Chair




MARK J. HASHEM
Co-Chair



TROY N. HASHIMOTO
Co-Chair



DAVID A. TARNAS
Co-Chair



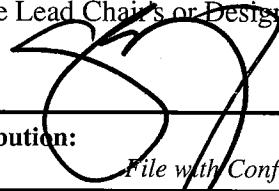
TYSON K. MIYAKE
Co-Chair



Hawaii State Legislature

Record of Votes of a
Conference Committee

CCR 131-26

Bill / Concurrent Resolution No.: HB 1741, HD 2, SD 1					Date/Time: 05/01/26 10:24 am						
<input checked="" type="checkbox"/> The recommendation of the House and Senate managers is to pass with amendments (CD).											
<input type="checkbox"/> The Committee is reconsidering its previous decision.											
<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.						
Senate Managers		A	WR	N	E	House Managers		A	WR	N	E
WAKAI, Glenn, Chr.		✓				EVSLIN, Luke A., Co-Chr.		✓			
CHANG, Stanley, Co-Chr.		✓				HASHEM, Mark J., Co-Chr.		✓			
HASHIMOTO, Troy N., Co-Chr.		✓				TARNAS, David A., Co-Chr.		✓			
						MIYAKE, Tyson K., Co-Chr.		✓			
						COCHRAN, Elle				✓	
TOTAL		3				TOTAL		4		1	
A = Aye		WR = Aye with Reservations			N = Nay			E = Excused			
Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted					House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted						
Senate Lead Chair's or Designee's Signature: 					House Lead Chair's or Designee's Signature: ZNC						
Distribution:		Original <i>File with Conference Committee Report</i>			Yellow <i>House Clerk's Office</i>		Pink <i>Senate Clerk's Office</i>		Goldenrod <i>Drafting Agency</i>		