

Honolulu, Hawaii

**APR 10 2026**

RE: H.B. No. 2270  
H.D. 1  
S.D. 1

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

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 2270, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE DOWNPAYMENT LOAN ASSISTANCE PROGRAM,"

begs leave to report as follows:

The purpose and intent of this measure is to make homeownership more accessible for first-time homebuyers, especially buyers from low- and moderate-income households, by making improvements to the Downpayment Loan Assistance Program administered by the Hawaii Housing Finance and Development Corporation.

More specifically, this measure amends the Downpayment Loan Assistance Program by:

- (1) Removing the prohibition on combined loan-to-value ratios;
- (2) Clarifying the Corporation's authority to establish interest rates and to allow payment waivers and interest forgiveness;



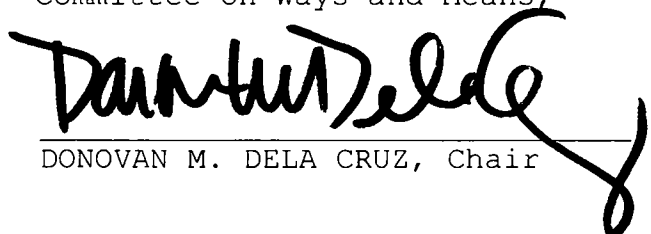
- (3) Authorizing financial institutions, mortgage lenders, and other loan originators to originate downpayment loans on behalf of the State, in certain circumstances;
- (4) Reducing the buyer's required personal contribution toward the downpayment; and
- (5) Authorizing borrowers to use a portion of a downpayment loan to pay for closing costs, prepaids, and reserves for the purchase of the residential property for which a downpayment loan is provided.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Housing Finance and Development Corporation; Office of Planning and Sustainable Development; and Hawaii REALTORS.

Your Committee finds that given today's high housing costs, the statutory requirements for the Downpayment Loan Assistance Program have become significant barriers for first-time homebuyers. Your Committee further finds that local lenders have reported that these statutory barriers have contributed significantly to loan funds not being reserved under the program. Your Committee believes that this measure will provide the program with needed flexibility and modernization and will better enable it to meet today's housing challenges.

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. 2270, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

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

  
DONOVAN M. DELA CRUZ, Chair



