STAND. COM. REP. NO. 2282

Honolulu, Hawaii

FEB 17 2026

RE: S.B. No. 2071
S.D. 1

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

Sir:

Your Committees on Housing and Commerce and Consumer Protection, to which was referred S.B. No. 2071 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

beg leave to report as follows:

The purpose and intent of this measure is to:

(1) Clarify that the dwelling units eligible for 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 not less than ninety-nine years; and

(2) Increase the time period that the sales price of the dwelling units under the Rent-to-Own Program shall remain fixed from five years to ten years after the rental agreement is executed.

Your Committees received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation and Hawai‘i Association of REALTORS.

Your Committees received testimony in opposition to this measure from the Sierra Club of Hawai‘i and three individuals.

Your Committees find that many residents of the State are unable to afford to own a home. The Rent-to-Own Program facilitates homeownership for program participants by crediting a portion of the rent paid on a unit toward the sale price of the unit, which is fixed at the time the rental agreement is executed. Currently, if a renter does not purchase the unit at the designated sale price within five years of the rental agreement, the unit is made available to another purchaser or renter. This measure clarifies that dwelling units eligible for the program include units for sale in fee simple or leasehold on state or county lands and extends the rental period from five years to ten years to provide greater stability and time to financially prepare for homeownership.

Your Committees further find, however, that this measure in its current form does not allow the Hawaii Housing Finance and Development Corporation sufficient flexibility in administering the Rent-to-Own Program and may delay the path to homeownership. Therefore, amendments to this measure are necessary to clarify that only non-ceded state and county lands will be eligible for leasehold sale under the Rent-to-Own Program.

Accordingly, your Committees have amended this measure by:

(1) Clarifying that only leasehold dwelling units on non-ceded state or county lands are eligible under the Rent-to-Own Program;

(2) Deleting language that would have established a ten-year period during which the sales price of a rent-to-own dwelling unit shall remain fixed and inserting an option period to be established by the Hawaii Housing Finance and Development Corporation; and

(3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Housing and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2071, as amended herein, and recommend that it pass Second Reading in the form attached hereto

as S.B. No. 2071, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Housing and Commerce and Consumer Protection,

JARRETT KEOHOKALOLE, Chair

STANLEY CHANG, Chair

The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Housing
HOU

Bill / Resolution No.:*	Committee Referral:	Date:
SB 2071	HOU/CPN, WAM	2/3/2026

☐ The Committee is reconsidering its previous decision on this measure.

If so, then the previous decision was to: _____

The Recommendation is:

☐ Pass, unamended 2312 ☑ Pass, with amendments 2311 ☐ Hold 2310 ☐ Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
CHANG, Stanley (C)	✓			
HASHIMOTO, Troy N. (VC)	✓			
ELEFANTE, Brandon J.C.	✓			
RHOADS, Karl				✓
FEVELLA, Kurt	✓			
TOTAL	4	0	0	1

Recommendation: ☑ Adopted ☐ Not Adopted

Chair's or Designee's Signature:

Distribution: Original — File with Committee Report; Yellow — Committee; Pink — Drafting Agency

*Only one measure per Record of Votes

Revised: 01/02/26

The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:*	Committee Referral:	Date:
SB2071	HOU/CPN, WAM	2/3/26

☐ The Committee is reconsidering its previous decision on this measure.

If so, then the previous decision was to: _____

The Recommendation is:

☐ Pass, unamended 2312 ☑ Pass, with amendments 2311 ☐ Hold 2310 ☐ Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)	✓			
LAMOSAO, Rachele	✓			
MCKELVEY, Angus L.K.	✓			
AWA, Brenton	✓			
TOTAL	5	0	0	0

Recommendation: ☑ Adopted ☐ Not Adopted

Chair's or Designee's Signature:

David Fukunaga

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Revised: 01/02/26