

Honolulu, Hawaii

MAY 01 2026

RE: S.B. No. 2338
S.D. 1
H.D. 2
C.D. 1

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

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

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2338, S.D. 1, H.D. 2, 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) Exempt certain positions under the Hawaii Housing Finance and Development Corporation (HHFDC) from the requirement that the employment actions and job descriptions of HHFDC officers and employees be subject to approval by the Director of Business, Economic Development, and Tourism;
- (2) Increase the salary cap for the Executive Director of HHFDC;



- (3) Rename the position of Executive Assistant to Deputy Executive Director for HHFDC and increase the salary cap for the Deputy Executive Director;
- (4) Establish the Finance Manager position within HHFDC; and
- (5) Establish a cap on the term of employment contracts for HHFDC and the Hawaii Public Housing Authority.

Your Committee on Conference finds that the responsibilities of the Hawaii Housing Finance and Development Corporation and Hawaii Public Housing Authority have increased in number and complexity over the past decade; however, current employment structures at the Hawaii Housing Finance and Development Corporation prevent it from satisfying the increased demand for housing and managing the greater volume of projects funded by the Corporation. This measure modernizes employment and related contract structures for the state's housing development agencies to ensure greater flexibility and responsiveness to help the state address its chronic housing shortage.

Your Committee on Conference has amended this measure by:

- (1) Requiring the Executive Director of the Hawaii Housing Finance and Development Corporation (HHFDC) to be paid a salary recommended by its Board of Directors and subject to the approval of the Director of Business, Economic Development, and Tourism, not to exceed ninety-nine percent of the salary of the Governor;
- (2) Inserting language to clarify that:
 - (A) The salary of the Finance Manager shall be set by the Board of Directors of HHFDC;
 - (B) Subsequent salary increases for the Finance Manager position shall be determined by the Board; and
 - (C) The salary increases shall be not less than the collective bargaining increases provided to state employees in comparable professional bargaining units;
- (3) Requiring the Finance Manager to oversee all finance programs of HHFDC and develop new initiatives to deliver housing to a range of household incomes;



- (4) Requiring the Finance Manager to have knowledge of certain finance- and housing-related topics;
- (5) Requiring the respective boards of HHFDC, Hawaii Community Development Authority (HCDA), and Hawaii Public Housing Authority (HPHA), to approve any renewal or extension of an employment contract and prohibiting HHFDC, HCDA, and HPHA from offering contracts of employment that exceed a three-year term, contain automatic renewal provisions, provisions for severance pay or liquidated damages, or financial buyouts of the unexpired terms of the contracts;
- (6) Inserting language to exempt the Executive Director of HCDA, and officers, agents, and employees appointed by the Executive Director, from the requirement that their employment actions and job descriptions be subject to approval by the Director of Business, Economic Development, and Tourism;
- (7) Inserting language to require the Executive Director of HCDA to be paid a salary recommended by the Authority and subject to the approval of the Director of Business, Economic Development, and Tourism, not to exceed ninety-nine percent of the salary of the Governor;
- (8) Clarifying that:
 - (A) The requirements for the salaries of the Executive Directors of HHFDC and HCDA, to be approved by the Director of the Department of Business, Economic Development, and Tourism, shall not apply to contracts executed before the effective date of this measure; and
 - (B) The requirements shall apply to any new employment contracts, contract renewals, or contract extensions entered into after the expiration of a contract in effect on the effective date of this measure;
- (9) Clarifying certain legislative findings and amending section 1 to reflect its amended purpose;
- (10) Making it effective upon its approval; and



- (11) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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 S.B. No. 2338, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2338, S.D. 1, H.D. 2, C.D. 1.

Respectfully submitted on behalf of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

ZML

LUKE A. EVSLIN
Co-Chair

J. Sayama

JACKSON D. SAYAMA
Co-Chair

Tyson K. Miyake

TYSON K. MIYAKE
Co-Chair

Stanley Chang

STANLEY CHANG
Chair

Troy N. Hashimoto

TROY N. HASHIMOTO
Co-Chair



Hawai'i State Legislature

Record of Votes of a
Conference Committee

CCR 121-26

Bill / Concurrent Resolution No.: SB 2338, SD 1, HD 2	Date/Time: 5/1/26, 10:10 am
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The recommendation of the House and Senate managers is to pass with amendments (CD).

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.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
CHANG, Stanley, Chr.	✓				EVSLIN, Luke A., Co-Chr.	✓			
HASHIMOTO, Troy N., Co-Chr.	✓				SAYAMA, Jackson D., Co-Chr.	✓			
ELEFANTE, Brandon J.C.	✓				MIYAKE, Tyson K., Co-Chr.	✓			
					MURAOKA, Christopher L.				✓
TOTAL	3				TOTAL	3		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
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature:
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