

Honolulu, Hawaii

MAY 1 2026

RE: S.B. No. 3218
S.D. 2
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. 3218, S.D. 2, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO BONDS,"

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) Substitute the word "tax increment" with "resilient infrastructure for shelter and equity" for purposes of the Resilient Infrastructure for Shelter and Equity Act, except under certain circumstances; and
- (2) Conform state law concerning county debt limits to permit counties to exclude resilient infrastructure for shelter and equity bonds from the debt limit of the counties, if a constitutional amendment authorizing the use of resilient infrastructure for shelter and equity bonds and excluding



resilient infrastructure for shelter and equity bonds from determinations of the counties' funded debt is ratified.

Your Committee on Conference finds that to address one of the biggest barriers to affordable housing development, the State introduced S.B. No. 3219, Regular Session of 2026, proposing amendments to the Hawaii State Constitution authorizing the counties to issue resilient infrastructure for shelter and equity bonds and exclude those bonds from county debt limit calculations. However, in order to implement the authorizations granted by the constitutional amendment, this measure, which makes conforming amendments to the Hawaii Revised Statutes, is necessary to further the housing policy objectives of that measure in the event that the proposed constitutional amendments are ratified.

Your Committee on Conference notes that the definition for "transit-oriented development zone" for a county with a population of five hundred thousand or more merits further review in future Legislative Sessions. Your Committee on Conference requests that future Legislatures consider language to clarify that a "transit-oriented development zone" for a county with a population of five hundred thousand or more includes areas within community development districts designated pursuant to chapter 206E, Hawaii Revised Statutes.

Your Committee on Conference has amended this measure by:

- (1) Inserting a definition for "transit-oriented development zone";
- (2) Clarifying that any resilient infrastructure for shelter and equity district shall be located entirely within a transit-oriented development zone;
- (3) Specifying that any county creating a resilient infrastructure for shelter and equity district shall not establish the district unless the county council first adopts a resolution that contains detailed findings of facts demonstrating that certain other financing options have been utilized to the maximum feasible extent, or that the financing is legally or financially infeasible, thereby exhausting those options before or in conjunction with, the issuance of resilient infrastructure for shelter and equity bonds;



- (4) Prohibiting a county from creating a resilient infrastructure for shelter and equity district that includes any land classified as an agricultural district pursuant to chapter 205, Hawaii Revised Statutes;
- (5) Making it effective upon its approval and upon ratification of a constitutional amendment expressly providing that the Legislature may authorize the counties to issue resilient infrastructure for shelter and equity bonds and excluding resilient infrastructure for shelter and equity bonds from determinations of the funded debt of the counties; and
- (6) 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. 3218, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 3218, S.D. 2, H.D. 2, C.D. 1.

Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

216

LUKE A. EVSLIN
Co-Chair

Tyson K. Miyake

TYSON K. MIYAKE
Co-Chair

ON THE PART OF THE SENATE

219

GLENN WAKAI
Chair

KE. A. AL

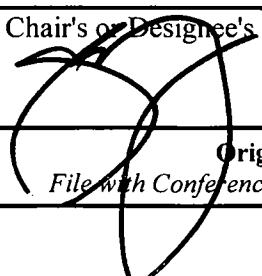
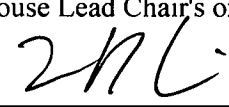
TROY N. HASHIMOTO
Co-Chair



Hawai'i State Legislature

Record of Votes of a Conference Committee

CCR 219-26

Bill / Concurrent Resolution No.: SB 3218, SD 2, HD 2					Date/Time: 05/01/26 10:17am				
☒ The recommendation of the House and Senate managers is to pass with amendments (CD).									
☐ The Committee is reconsidering its previous decision.									
☐ The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					☐ 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.	✓	✓		
HASHIMOTO, Troy N., Co-Chr.	✓	✓			MIYAKE, Tyson K., Co-Chr.	✓	✓		
FEVELLA, Kurt	✓				MURAOKA, Christopher L.	✓			
TOTAL	3				TOTAL	3			
A = Aye		WR = Aye with Reservations			N = Nay		E = Excused		
Senate Recommendation is:					House Recommendation is:				
☒ Adopted ☐ Not Adopted					☒ Adopted ☐ Not Adopted				
Senate Lead Chair's or Designee's Signature:					House Lead Chair's or Designee's Signature:				
									
Distribution: Original Yellow Pink Goldenrod									
File with Conference Committee Report House Clerk's Office Senate Clerk's Office Drafting Agency									