

JAN 21 2026

A BILL FOR AN ACT

RELATING TO HOUSING.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the Hawaii housing
2 finance and development corporation and the Hawaii public
3 housing authority both provide critical services to address
4 Hawaii's affordable housing crisis. The Hawaii housing finance
5 and development corporation oversees the financing of affordable
6 housing and the Hawaii public housing authority manages the
7 public housing programs and housing choice vouchers. Through
8 these two entities, the supply of affordable housing in Hawaii
9 has grown, with billions of dollars financed and more than six
10 thousand public housing units currently being managed.

11 The legislature further finds that the executive directors
12 of the two entities face different compensation limitations,
13 with the executive director of the housing authority being paid
14 no more than the governor, and the executive director of the
15 development corporation being paid a lower salary of not more
16 than the director of business, economic development, and
17 tourism--a difference of more than \$10,000. In addition, the



1 salary of the executive assistant of the development corporation
2 is also capped at a percentage of the executive director's
3 salary.

4 The legislature believes that increasing certain salary
5 caps will help the State compete with the private sector for
6 highly skilled individuals and further increase the supply of
7 affordable housing in Hawaii.

8 Accordingly, the purpose of this Act is to increase the
9 salary cap for the executive director of the Hawaii housing
10 finance and development corporation to an amount that does not
11 exceed the governor's salary, while also increasing the salary
12 cap for the executive assistant.

13 SECTION 2. Section 201H-2, Hawaii Revised Statutes, is
14 amended by amending subsections (a) and (b) to read as follows:

15 "(a) There is established the Hawaii housing finance and
16 development corporation to be placed within the department of
17 business, economic development, and tourism for administrative
18 purposes only[-]; provided that the corporation shall have
19 autonomy in personnel matters, including establishing and
20 filling positions and setting salaries. The corporation shall
21 be a public body and a body corporate and politic.



1 (b) The corporation shall employ, exempt from chapter 76
2 and section 26-35(a)(4), an executive director and [~~an executive~~
3 ~~assistant.~~] a deputy executive director. The executive director
4 shall be paid a salary not to exceed the salary of the [~~director~~
5 ~~of business, economic development, and tourism.~~] governor. The
6 [~~executive assistant~~] deputy executive director shall be paid a
7 salary not to exceed [~~ninety~~] ninety-five per cent of the
8 executive director's salary. The corporation may employ,
9 subject to chapter 76, technical experts and officers, agents,
10 and employees, permanent and temporary, as required. The
11 corporation may also employ officers, agents, and employees,
12 prescribe their duties and qualifications, and fix their
13 salaries, not subject to chapter 76, when in the determination
14 of the corporation, the services to be performed are unique and
15 essential to the execution of the functions of the corporation.
16 Unless approved by the legislature by concurrent resolution, the
17 corporation shall not offer any employment contract that exceeds
18 two years. The corporation may call upon the attorney general
19 for legal services as it may require. The corporation may
20 delegate to one or more of its agents or employees its powers
21 and duties as it deems proper."



1 SECTION 3. Section 356D-2, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:

3 "(b) The authority shall employ, exempt from chapter 76
4 and section 26-35(a)(4), an executive director, an executive
5 assistant, a chief financial management advisor, a property
6 management branch chief, a chief planner, and a redevelopment
7 officer, whose salaries shall be set by the board established
8 under section 356D-3; provided that no salary shall exceed the
9 governor's salary. The authority may employ, subject to
10 chapter 76, technical experts and officers, agents, and
11 employees, permanent or temporary, as required. The authority
12 may also employ officers, agents, and employees; prescribe their
13 duties and qualifications; and fix their salaries, not subject
14 to chapter 76, when in the determination of the authority, the
15 services to be performed are unique and essential to the
16 execution of the functions of the authority; provided that if
17 the authority hires an officer, agent, or employee in a capacity
18 not subject to chapter 76, the authority shall include in an
19 annual report to the legislature, to be submitted not later than
20 twenty days prior to the convening of each regular session, the
21 position descriptions and reasons for hiring the personnel in a



1 civil service exempt capacity. Unless approved by the
2 legislature by concurrent resolution, the authority shall not
3 offer any employment contract that exceeds two years. The
4 authority may call upon the attorney general for legal services
5 as it may require. The authority may delegate to one or more of
6 its agents or employees the powers and duties it deems proper."

7 SECTION 4. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 5. This Act shall take effect upon its approval.

10
INTRODUCED BY: 

S.B. NO. 2338

Report Title:

HHFDC; HPHA; Executive Director Salary; Executive Assistant;
Employment Contract

Description:

Increases the salary cap of the Executive Director of Hawaii Housing Finance and Development Corporation to an amount that does not exceed the Governor's salary. Renames the Executive Assistant to the Deputy Executive Director and increases that position's salary cap to 95% of the Executive Director salary. Prohibits HHFDC and Hawaii Public Housing Authority employment contracts that exceed 2 years, unless approved by the Legislature. Provides HHFDC with autonomy in personnel matters.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

