

MAR 10 2026

SENATE RESOLUTION

DECLARING THE INTENT THAT AFFORDABLE HOUSING CREDITS ARE PERPETUAL AND REMAIN VALID UNTIL REDEEMED, AND REQUESTING THE COUNTIES TO RECOGNIZE THESE CREDITS WITHOUT EXPIRATION DATES.

1 WHEREAS, the 2024 Hawaii Housing Planning Study,
2 commissioned by the Hawaii Housing Finance and Development
3 Corporation, identified a critical and deepening housing
4 shortage, projecting that the State will require an additional
5 64,490 housing units by 2027 to meet demand, which significantly
6 exceeds previous estimates and underscores the urgency of the
7 State's housing crisis; and

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9 WHEREAS, to address this crisis, the Legislature enacted
10 Act 31, Session Laws of Hawaii 2024 (Act 31), to require the
11 counties to issue affordable housing credits for housing units
12 constructed under certain programs of the Hawaii Housing Finance
13 and Development Corporation; and

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15 WHEREAS, this body recognizes that the development of
16 affordable housing is a complex and capital-intensive process
17 that often spans many years and requires long-term financial
18 planning and stability; and

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20 WHEREAS, affordable housing credits function as a critical
21 incentive for developers who invest private capital to build
22 affordable units that serve the public interest; and

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24 WHEREAS, these credits are transferable assets that allow
25 developers to satisfy future affordable housing obligations,
26 thereby facilitating a continuous pipeline of housing
27 development; and

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29 WHEREAS, existing law mandates the issuance of affordable
30 housing credits on a "one-credit for one-unit" basis and
31 explicitly provides for their transferability to satisfy county



1 requirements, but does not authorize the imposition of
2 expiration dates or other time limits on the validity of these
3 credits; and

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5 WHEREAS, memoranda of agreement and other administrative
6 mechanisms utilized by the counties to manage affordable housing
7 credits are intended to facilitate their issuance and tracking
8 in alignment with state law, and are not intended to impose
9 restrictions such as expiration dates that are not authorized or
10 required under existing law; and

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12 WHEREAS, by ensuring that administrative agreements and
13 policies do not limit the life, value, transferability, or
14 utility of affordable housing credits it protects the incentive
15 established by the Legislature, reduces financial risk, and
16 encourages continued participation by developers in affordable
17 housing programs, consistent with the purpose and intent of Act
18 31; and

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20 WHEREAS, this body intends that an affordable housing
21 credit, once earned and issued in compliance with state law,
22 constitutes a vested right and a perpetual asset that remains
23 valid until it is redeemed to satisfy an affordable housing
24 obligation; now, therefore,

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26 BE IT RESOLVED by the Senate of the Thirty-third
27 Legislature of the State of Hawaii, Regular Session of 2026,
28 that it is the intent of this body that affordable housing
29 credits issued pursuant to section 46-15.1, Hawaii Revised
30 Statutes, including those governed by Act 31, are perpetual in
31 nature and remain valid and transferable until such time as they
32 are redeemed by a holder to satisfy an affordable housing
33 obligation; and

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35 BE IT FURTHER RESOLVED that it is the intent of this body
36 that the memoranda of agreement authorized under section 46-
37 15.1, Hawaii Revised Statutes, between any county and the Hawaii
38 Housing Finance and Development Corporation or Department of
39 Hawaiian Home Lands, are administrative instruments intended to
40 facilitate the efficient issuance, tracking, transfer, and
41 redemption of affordable housing credits, and are not intended
42 to diminish, restrict, or condition the life, value,



1 transferability, or utility of such credits beyond the terms
2 established by statute; and

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4 BE IT FURTHER RESOLVED that the counties are requested to
5 align their administrative rules, policies, and practices with
6 the statutory framework of section 46-15.1, Hawaii Revised
7 Statutes, to ensure that the value and utility of affordable
8 housing credits are not diminished by administrative time
9 limitations or other restrictions not specified in the statute;
10 and

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12 BE IT FURTHER RESOLVED that any memoranda of agreement
13 entered into between a county and the Hawaii Housing Finance and
14 Development Corporation or Department of Hawaiian Home Lands
15 regarding affordable housing credits is requested to be crafted
16 to facilitate the efficient administration of the credits while
17 avoiding provisions that would restrict the life, value,
18 transferability, or utility of the credits; and

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20 BE IT FURTHER RESOLVED that certified copies of this
21 Resolution be transmitted to the Chairperson of the Hawaiian
22 Homes Commission; Executive Director of the Hawaii Housing
23 Finance and Development Corporation; Mayors of the Counties of
24 Hawaii, Kauai, and Maui; Mayor of the City and County of
25 Honolulu; Chairpersons of the County Councils of Hawaii, Kauai,
26 and Maui; and Chairperson of the Honolulu City Council.

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OFFERED BY: 

