

Honolulu, Hawaii

FEB 09 , 2026

RE: H.B. No. 1714
H.D. 1

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

Madame:

Your Committee on Housing, to which was referred H.B. No. 1714 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Provide the Hawaii Housing Finance and Development Corporation with autonomy in personnel matters;
- (2) Increase the salary cap of the Executive Director and Deputy Executive Director of the Hawaii Housing Finance and Development Corporation;
- (3) Rename the Executive Assistant position to Deputy Executive Director; and
- (4) Prohibit employment contracts exceeding two years unless approved by the Legislature.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation. Your Committee received testimony in opposition to this measure from two individuals. Your Committee received comments on this measure



from the Department of Human Resources Development and Hawaii Public Housing Authority.

Your Committee finds that the State's main housing agencies face increasing difficulty recruiting and retaining highly qualified leadership due to salary caps that lag behind private sector compensation and comparable public-sector positions. Your Committee further finds that the Hawaii Housing Finance and Development Corporation, in particular, is constrained by a compensation ceiling that is lower than that of its counterpart agency, the Hawaii Public Housing Authority, and which does not reflect the complexity or statewide impact of its work in financing affordable housing. This measure is intended to strengthen the Hawaii Housing Finance and Development Corporation's ability to deliver on the State's commitment to increasing the affordable housing supply.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes the concerns raised in testimony from the Department of Human Resources Development that this measure, in its current form, would allow individual state agencies to operate outside of the State's centralized personnel and collective bargaining framework. Your Committee further notes the Department's concern regarding allowing a state agency to enter into employment contracts for up to two years and the likely conflict with existing law that governs State employment benefits. Your Committee respectfully requests your Committee on Labor, should it deliberate on this measure, to work with the Department of Human Resources Development in addressing these concerns.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1714, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1714, H.D. 1, and be referred to your Committee on Labor.



Respectfully submitted on
behalf of the members of the
Committee on Housing,

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LUKE A. EVSLIN, Chair



