

STAND. COM. REP. NO. **573**-26  
Honolulu, Hawaii  
, 2026

**FEB 19**  
RE: H.B. No. 1722  
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. 1722 entitled:

"A BILL FOR AN ACT RELATING TO RESIDENTIAL CONDOMINIUMS,"

begs leave to report as follows:

The purpose of this measure is to clarify the Ninety-Nine Year Leasehold Program by:

- (1) Clarifying that renting or subleasing by an owner of a residential condominium unit to any tenant or sublessee of any kind is considered owner-occupied residential use;
- (2) Requiring at least sixty percent of the residential condominium units within urban redevelopment sites to be set aside for owner-occupied residential use for at least ten years from the date of initial purchase;
- (3) Exempting the design, development, and construction of contracts for residential condominium units within an urban redevelopment site from procurement requirements;
- (4) Allowing an individual who owns other real property to qualify for the program; and



- (5) Allowing the sale of up to forty percent of residential condominium units to qualified residents if there are still units available after being advertised for sale for more than sixty days.

Your Committee received testimony in support of this measure from the Hawaii Community Development Authority and two individuals. Your Committee received comments on this measure from AARP Hawai'i.

Your Committee finds that the State continues to face a significant shortage of affordable, owner-occupied housing, and that statutory restrictions within the Ninety-Nine Year Leasehold Program have hindered the viability of projects intended to expand long-term homeownership opportunities. The current program structure, particularly limitations on eligibility, resale, and the absence of flexible owner-occupancy provisions, has contributed to stalled development efforts and reduced marketability of leasehold condominium projects. Your Committee believes that strengthening and modernizing the program's owner-occupancy requirements while providing clearer, more workable development and resale standards will allow these projects to move forward and expand access to stable homeownership for Hawaii residents.

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.

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. 1722, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1722, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.



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

**ZAC**

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LUKE A. EVSLIN, Chair



