

STAND. COM. REP. NO. **3205**

Honolulu, Hawaii

MAR 30 2026

RE: H.B. No. 1724
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B.
No. 1724, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII HOUSING FINANCE AND
DEVELOPMENT CORPORATION,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Make the Dwelling Unit Revolving Fund Equity Pilot Program permanent, with modifications that include changing the method for computation of interest for purchasers of certain real property;
- (2) Expand the use of proceeds in the Dwelling Unit Revolving Fund to include purchasing equity in for-sale housing development projects and interim primary or secondary financing; and
- (3) Exempt disbursements from the Affordable Homeownership Revolving Fund from appropriation and allotment requirements.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Housing Finance and Development Corporation;



Office of Planning and Sustainable Development; Holomua Collaborative; Housing Hawai'i's Future; Hawai'i Community Foundation; and Land Use Research Foundation of Hawaii.

Your Committee finds that many local families, especially those earning between eighty percent and one hundred forty percent of the area median income, struggle to purchase homes despite being mortgage-ready. The Dwelling Unit Revolving Fund Equity Pilot Program (Pilot Program) directly addresses the challenges those families face by allowing the Hawaii Housing Finance and Development Corporation to invest equity in for-sale units, which reduces out-of-pocket costs for buyers. Crucially, the Pilot Program has been remarkably successful, with over eighty-three units participating as of 2026. By making the Pilot Program permanent, this measure will complement existing Hawaii Housing Finance and Development Corporation programs and further aid project feasibility.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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. 1724, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1724, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

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


STANLEY CHANG, Chair



The Senate
 Thirty-Third Legislature
 State of Hawai'i

Record of Votes
Committee on Housing
HOU

Bill / Resolution No.:*	Committee Referral:	Date:		
H01724, HD2	HOU, VAM	03/17/26		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
CHANG, Stanley (C)	✓			
HASHIMOTO, Troy N. (VC)	✓			
ELEFANTE, Brandon J.C.	✓			
RHOADS, Karl	✓			
FEVELLA, Kurt				✓
TOTAL	4	0	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution:				
Original	Yellow	Pink		
File with Committee Report	Committee	Drafting Agency		

*Only one measure per Record of Votes