

Honolulu, Hawaii

**FEB 09**, 2026

RE: H.B. No. 1732  
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. 1732 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose of this measure is to establish the Kamaaina Homes Program within the Hawaii Housing Finance and Development Corporation to provide funding to the counties to purchase voluntary deed restrictions on properties from eligible homebuyers.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation; AARP Hawaii; Holomua Collaborative; Kapolei Chamber of Commerce; Hawai'i YIMBY; Housing Hawai'i's Future; Hawai'i Appleseed Center for Law & Economic Justice; Title Guaranty of Hawai'i; Tori Richard, Ltd.; and aio Family of Companies. Your Committee received testimony in opposition to this measure from LIMBY Hawai'i. Your Committee received comments on this measure from the Department of Taxation; Tax Foundation of Hawaii; and Hawai'i Association of REALTORS.

Your Committee finds that Hawaii's severe housing shortage and escalating home prices have made it increasingly difficult for local working families to remain in the State, contributing to rising outmigration and the loss of cultural continuity. Your



Committee further finds that a major factor driving this crisis is the growing number of homes being purchased by non-residents, which reduces the available supply for local buyers and weakens community stability. This measure offers a creative, market-based solution to preserve housing for local residents and stabilize the State's communities.

Your Committee has amended this measure by:

- (1) Expanding the authorized uses of funds received under the Kamaaina Homes Program to include constructing additional dwelling units and requiring both the main dwelling unit and additional dwelling unit to be subject to a deed restriction;
- (2) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests your Committees on Judiciary & Hawaiian Affairs and Finance, should they deliberate on this measure, to consider a cap of ten percent of allocated funds under the Kamaaina Homes Program to be used for administrative costs.

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. 1732, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1732, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.



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

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LUKE A. EVSLIN, Chair



