

STAND. COM. REP. NO. **3207**

Honolulu, Hawaii

MAR 30 2026

RE: H.B. No. 1733
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. 1733, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Increase the Hula Mae Multifamily Revenue Bond authorization ceiling amount to continue financing affordable rental housing statewide; and
- (2) Clarify that revenue bonds treated as refunding bonds do not count against the authorized aggregate principal amount of the bond.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Office of Planning and Sustainable Development, Hawai'i Association of REALTORS, AARP Hawaii, Maui Chamber of Commerce, Aloha United Way, and Housing Hawai'i's Future.

Your Committee received comments on this measure from one individual.



Your Committee finds that expanding the Hula Mae Multifamily Revenue Bond Program (Program) is critical to the creation of new housing in the State. Crucially, the Program makes the production of below-market rate housing possible by significantly reducing borrowing costs for developers through federally authorized tax-exempt revenue bonds. With the persistent rise in construction costs and the high volume of projects currently in production, the Hawaii Housing Finance and Development Corporation is quickly approaching the existing \$3 billion cap on bonds issued through the Program. Once the cap is reached, the Hawaii Housing Finance and Development Corporation will no longer be able to approve new financing for developers, halting the progress of future housing developments. This measure ensures continued access to tax-exempt revenue bonds for developers by increasing the bond cap.

Your Committee notes, however, that the unprecedented state funding for housing developed utilizing Low-Income Housing Tax Credits over the last decade has not ameliorated the housing shortage for the great majority of the State's residents, and that new mechanisms for housing financing are necessary to maximize the efficient use of the enormous taxpayer resources dedicated to housing.

Your Committee has amended this measure by:

- (1) Inserting a revenue bond cap amount of \$4,000,000,000;
- (2) Requiring the Hawaii Housing Finance and Development Corporation to submit a report to the Legislature;
- (3) Amending section 1 to reflect its amended purpose; and
- (4) 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. 1733, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1733, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.



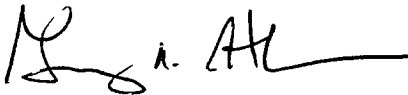
Respectfully submitted on
behalf of the members of the
Committee on Housing,


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:		
HB 1733, HD 2	HOU, WAM	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