

STAND. COM. REP. NO. 3682

Honolulu, Hawaii

APR 09 2026

RE: H.B. No. 1740
H.D. 2
S.D. 2

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

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1740, H.D. 2, S.D. 1, 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 support the sustainable development of affordable housing.

More specifically, this measure:

- (1) Removes unnecessary financial screening and property-ownership requirements from the definition of "qualified resident" for purposes of participation in certain affordable housing projects and programs;
- (2) Eases the requirements for a project to qualify for certain exemptions from planning, zoning, construction, and development laws and ordinances that apply to certain affordable housing projects; and
- (3) Imposes perpetual deed restrictions on the sale of certain units within the housing project.



Your Committee received written comments in support of this measure from the Hawaii Housing Finance and Development Corporation, Kauai County Council, Hawaii YIMBY, Holomua Collaborative, Title Guaranty of Hawaii, HPM Building Supply, Mana Up, Tori Richard, aio, Housing Hawaii's Future, and one individual.

Your Committee received written comments in opposition to this measure from UNITE HERE Local 5, LIMBY Hawaii, HI Good Neighbor, and one individual.

Your Committee finds that addressing Hawaii's affordable housing shortage is of critical importance to the State. To address this issue effectively, not only must the State increase the supply of affordable housing, but also the supply of affordable housing must be made sustainable and attainable. Your Committee believes that this measure furthers these goals by removing duplicative and unnecessary restrictions on qualified purchasers and tenants of affordable housing, while also expanding eligibility for affordable housing incentives.

Your Committee has amended this measure by:

- (1) Clarifying that certain disability-related absences do not violate the perpetual occupancy requirement; and
- (2) Adding an eligibility requirement limiting the total value of assets owned by a qualified resident to not exceed the value of the dwelling unit being purchased or rented.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1740, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1740, H.D. 2, S.D. 2.



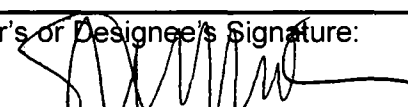
Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* HB 1740, HD2, SD1	Committee Referral: HOU, WAM	Date: 4/6/2026		
<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
DELA CRUZ, Donovan M. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
DECOITE, Lynn	X			
ELEFANTE, Brandon J.C.		X		
HASHIMOTO, Troy N.	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris				X
RICHARDS, III, Herbert M. "Tim"	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
TOTAL	11	1	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