

Honolulu, Hawaii

MAR 06 , 2026

RE: H.B. No. 1777

H.D. 2

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madame:

Your Committee on Judiciary & Hawaiian Affairs, to which was referred H.B. No. 1777, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require developers developing a housing project under the Hawaii Housing Finance and Development Corporation to assist certain tenants who are subject to displacement or eviction by the proposed project by:
 - (A) Granting those tenants the right of first offer of a comparable unit in the housing project and providing replacement housing payments;
 - (B) Providing information, either directly or through a contracted service, on how to obtain assistance and exercise the right of first offer; and
 - (C) Establishing procedures to track and maintain communication with those tenants; and
- (2) Establish consequences for a developer's noncompliance.



Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs; Hawaii Housing Finance and Development Corporation; Shimanchu Mamuyaa; Kokua Kalihi Valley Comprehensive Family Services; Hawai'i Workers Center; Waipahu Safe Haven Immigrant/Migrant Resource Center; American Civil Liberties Union of Hawai'i; Parents and Children Together; Hawai'i YIMBY; Hawai'i Appleseed Center for Law & Economic Justice; Medical-Legal Partnership for Children in Hawai'i; Hawaii Organization for Progress and Equity; AARP Hawai'i; and seven individuals. Your Committee received comments on this measure from NAIOP Hawaii and Avalon Development Company.

Your Committee finds that the State has an urgent need to increase housing production. However, policy strategies that support development must be paired with focused consumer protections to ensure redevelopment projects do not unintentionally displace the very residents they intend to serve. Without clear tenant protections and right of first offer or return options, redevelopment can result in a net loss of truly accessible housing for the most vulnerable participants in Hawaii's housing market. This measure establishes clearly defined safeguards that balance the need for increased housing production with fairness to tenants who may otherwise bear the burden of redevelopment.

Your Committee has amended this measure by:

- (1) Clarifying that the right of first offer exists and is to be made before displacement or eviction, or as soon as practicable thereafter;
- (2) Specifying that this measure does not require a proposed project to include comparable units to those that previously existed;
- (3) Inserting a definition of "comparable unit"; and
- (4) 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 Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1777, H.D. 1, as amended herein, and recommends that it



pass Third Reading in the form attached hereto as H.B. No. 1777,
H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary &
Hawaiian Affairs,



DAVID A. TARNAS, Chair



