

STAND. COM. REP. NO. **3203**

Honolulu, Hawaii

**MAR 30 2026**

RE: H.B. No. 1777  
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 Committees on Housing and Health and Human Services, to which was referred H.B. No. 1777, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

beg leave to report as follows:

The purpose and intent 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;
  - (B) Providing replacement housing payments;
  - (C) Providing information, either directly or through a contracted service, on how to obtain assistance and exercise the right of first offer; and
  - (D) Establishing procedures to track and maintain communication with those tenants; and
- (2) Establish consequences for a developer's noncompliance.



Your Committees received testimony in support of this measure from Hawaii Housing Finance and Development Corporation, Office of Hawaiian Affairs, one member of the Kaua'i County Council, Parents and Children Together, ACLU Hawai'i, AARP Hawaii, Hawaii Organization for Progress and Equity, Hawaii Appleseed Center for Law & Economic Justice, Kokua Kalihi Valley Comprehensive Family Services, Hawai'i YIMBY, Hawai'i Children's Action Network Speaks!, Adult Friends for Youth, Aloha Independent Living Hawaii, Medical-Legal Partnership for Children in Hawai'i, and seven individuals.

Your Committees received comments on this measure from NAIOP Hawaii and Avalon Development Company LLC.

Your Committees find that all residents of the State, regardless of their circumstances or background, should have access to safe and stable housing. While the State has taken important steps to increase access to housing for many residents, increased housing access should not come at the expense of existing renters. Without enforceable safeguards, housing redevelopment too often results in involuntary displacement of existing tenants, loss of community, and financial instability, especially for vulnerable populations. Displacement and relocation without intensive support also disconnect residents from critical services such as health care, childcare, and schools. This measure seeks to protect the well-being and housing access of the State's residents by ensuring that Hawaii Housing Finance and Development Corporation-supported projects provide certain rights and benefits to displaced tenants.

Your Committees recognize the many harms that may accompany displacement, but also note that this measure, in its current form, would create two classes of tenants: tenants relocated for housing built under section 201H-38, Hawaii Revised Statutes, which is often financed with taxpayer dollars, and tenants relocated for private redevelopment, which often creates luxury units for wealthy investors. While tenants in the former class would receive the benefits provided by this measure, those in the latter class would not.

Additionally, your Committees note that the Hawaii Public Housing Authority's Kuhio Park Terrace low-rise housing development provided all of the benefits contemplated by this



measure, including relocation to a comparable unit. However, the process of relocation nevertheless proved to be complicated, and many residents of the Kuhio Park Terrace raised a number of important issues and concerns with the process, which would only continue if this measure, in its current form, were to be implemented.

Your Committees note that the companion to this measure, S.B. No. 2957, S.D. 1 (2026), which has previously heard by your Committees, would establish the Tenant Displacement Working Group within the Hawaii Housing Finance and Development Corporation to address tenant displacement and relocation in the State and is preferable, as it addresses the foregoing concerns.

Accordingly, your Committees have amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 2957, S.D. 1 (2026), which:
  - (A) Establishes the Tenant Displacement Working Group within the Hawaii Housing Finance and Development Corporation to address tenant displacement and relocation in the State;
  - (B) Requires the Tenant Displacement Working Group to report to the Legislature; and
  - (C) Appropriates funds; and
- (2) Renaming the Tenant Displacement Working Group to the Tenant Protection Working Group;
- (3) Requiring the Tenant Protection Working Group to address certain tenant protection issues in the state;
- (4) Amending section 1 to reflect its amended purpose; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees note that although this measure, as amended, contains an unspecified appropriation amount, should your Committee on Ways and Means choose to deliberate on this measure,



your Committees respectfully request that it consider inserting an appropriation amount of \$75,000 for the Tenant Protection Working Group.

As affirmed by the records of votes of the members of your Committees on Housing and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1777, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1777, 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  
Committees on Housing and  
Health and Human Services,



JOY A. SAN BUENAVENTURA, Chair

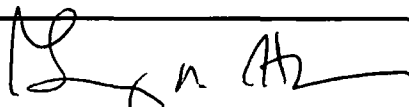


STANLEY CHANG, Chair



The Senate  
Thirty-Third Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Housing**  
**HOU**

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1777 HD2	HOU / HHS, WAM	03/19/26		
<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				✓
<b>TOTAL</b>	4	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original     Yellow     Pink File with Committee Report     Committee     Drafting Agency				

\*Only one measure per Record of Votes

