

Honolulu, Hawaii

APR 29 2026

RE: S.B. No. 2061
S.D. 2
H.D. 2
C.D. 1

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

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

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2061, S.D. 2, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO RESIDENTIAL CONDOMINIUMS,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to clarify the Ninety-Nine Year Leasehold Program by:

- (1) Allowing the Hawaii Community Development Authority (HCDA) to prohibit renting, advertising for rent, or using for any other purpose other than owner-occupied residential use a residential condominium unit, by rule, rather than statutorily;
- (2) Exempting the design, development, and construction contracts from procurement requirements, subject to prevailing wage requirements for laborers and mechanics;



- (3) Requiring HCDA to adopt rules to implement an initial sales period during which residential condominium units are offered only to eligible buyers for owner-occupied residential use;
- (4) Authorizing the sale of a residential condominium unit that is not subject to an income restriction and was not sold within a certain period to be sold to other buyers, as determined by rule by HCDA, without an owner-occupancy requirement;
- (5) Requiring HCDA to adopt rules that require at least sixty per cent of residential condominium units to be income restricted; and
- (6) Requiring HCDA to establish rules to require buyback pricing similar to other state agencies' existing pricing formulas.

Your Committee on Conference finds that the current structure of the Ninety-Nine Year Leasehold Condominium Program (Program) has impeded the very development that the Program was created to facilitate and lowered the marketability of leasehold condominium projects. By clarifying and updating the Program's requirements, this measure will improve access to stable housing for state residents.

Your Committee on Conference has amended this measure by:

- (1) Repealing language that prohibited any other person intending to live with the eligible buyer or owner from owning any other real property while owning a residential condominium unit within an urban development site;
- (2) Deleting proposed language that would have required the eligible buyer to sell the leasehold interest in the residential condominium unit or to sell or otherwise dispose of the real property or divest the beneficiary interest if any other person living with the eligible buyer purchases or acquires any other real property or becomes a beneficiary entitled to occupy property held by a trust;
- (3) Making it effective upon its approval; and



- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2061, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2061, S.D. 2, H.D. 2, C.D. 1.

Respectfully submitted on behalf of the managers:

ON THE PART OF THE HOUSE

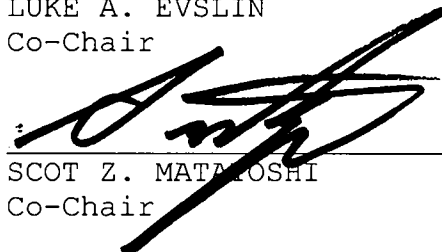
ON THE PART OF THE SENATE




LUKE A. EVSLIN
Co-Chair




CHRIS LEE
Chair



SCOT Z. MATSUMOTO
Co-Chair



STANLEY CHANG
Co-Chair



JARETT KEOKALO
Co-Chair



Hawai'i State Legislature

Record of Votes of a
Conference Committee

CLR 83-26

Bill / Concurrent Resolution No.: SB 2061, SD 2, HD 2	Date/Time: 4/29/26 10:54 am
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
LEE, Chris, Chr.	✓				EVSLIN, Luke A., Co-Chr.	✓			
CHANG, Stanley, Co-Chr.	✓				MATAYOSHI, Scot Z., Co-Chr.	✓			
KEOHOKALOLE, Jarrett, Co-Chr.				✓	PIERICK, Elijah	✓			
TOTAL	2			1	TOTAL	3			

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature:
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