

STAND. COM. REP. NO. 2266

Honolulu, Hawaii

FEB 13 2026

RE: S.B. No. 2189

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 S.B. No. 2189 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:

- (1) Repeal the requirement that the Chairperson of the Hawaii Housing Finance and Development Corporation Board of Directors be a public member; and
- (2) Repeal the prohibition on certain members of the Hawaii Housing Finance and Development Corporation Board of Directors from serving as Chairperson.

Your Committee received comments on this measure from the Hawaii Housing Finance and Development Corporation.

Your Committee finds that the Hawaii Housing Finance and Development Corporation (HHFDC) makes major financial decisions, such as awarding \$299,224,078 in Rental Housing Revolving Fund loans in their 2025 funding around. Given the importance of these funding decisions, transparency and accountability in HHFDC's decision-making processes are essential. Your Committee further finds that application scores for HHFDC-supported projects are never made public, nor are decisions accompanied by any public



explanation as to why some projects with low scores get awarded funds while others with high scores are not awarded funds. Additionally, some applicants have argued that seventy-five percent of state housing finance agencies have less discretion than HHFDC and ninety percent of state housing finance agency directors have less discretion than HHFDC.

Accordingly, your Committee finds that the HHFDC Board of Directors serves a critical purpose to help the State meet the housing needs of its residents. However, existing statutory provisions prohibit certain members from serving in leadership roles on the HHFDC Board of Directors. This was initially intended to ensure that the Board would be community-oriented and responsive to the needs of the State's residents. However, amending existing statutory provisions to allow certain ex officio board members to be eligible to serve as Chairperson will allow for additional perspectives to lead the Board while maintaining the legislative intent that the Board prioritize the needs of local communities. Therefore, this measure diversifies the leadership of the HHFDC Board to ensure accountability in carrying out its critical duties while retaining the existing composition of the Board.

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 S.B. No. 2189 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

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

  
STANLEY CHANG, Chair



