

STAND. COM. REP. NO. 3066

Honolulu, Hawaii

MAR 06 2026

RE: S.B. No. 2190
S.D. 2

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

Sir:

Your Committees on Judiciary and Ways and Means, to which was referred S.B. No. 2190, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INCLUSIONARY ZONING,"

beg leave to report as follows:

The purpose and intent of this measure is to prohibit any law, ordinance, or rule from imposing an inclusionary zoning requirement on housing offered exclusively for sale or rent in perpetuity to buyers or renters who are residents of the State, are owner-occupants or renters, and do not own any other real property.

Your Committees received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Grassroot Institute of Hawaii, and Hawai'i YIMBY.

Your Committees received testimony in opposition to this measure from the Office of Hawaiian Affairs.

Your Committees received comments on this measure from the Department of Planning and Permitting of the City and County of Honolulu.

Your Committees find that inclusionary zoning is a county-level practice that requires a typically small percentage of units in a new housing development to be reserved for individuals

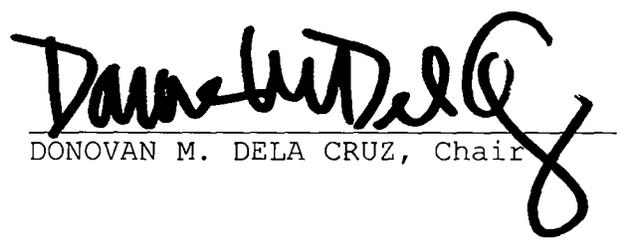


earning incomes within a specified range, but the length of time that the unit is required to be deed-restricted as "affordable" is typically limited. Inclusionary zoning requirements by counties, therefore, should not apply to housing that is offered exclusively for sale or rent in perpetuity to certain residents of the State. This measure directly supports the State's commitment to affordable housing production by removing overly restrictive regulatory barriers that often slow housing development.

Accordingly, your Committees have amended this measure by inserting an effective date of March 22, 2075, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Judiciary and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2190, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2190, S.D. 2.

Respectfully submitted on behalf of the members of the Committees on Judiciary and Ways and Means,


DONOVAN M. DELA CRUZ, Chair


KARL RHOADS, Chair

