

STAND. COM. REP. NO. 2564

Honolulu, Hawaii

FEB 20 2026

RE: S.B. No. 2227
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 Water, Land, Culture and the Arts, to which was referred S.B. No. 2227 entitled:

"A BILL FOR AN ACT RELATING TO RENTAL ASSISTANCE,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require the Hawaii Public Housing Authority to award monthly rent supplement payments on behalf of qualified tenants under the State Rent Supplement Program prioritizing certain tenants, including kupuna;
- (2) Authorize the Hawaii Public Housing Authority to enter into memoranda of agreement for rental supplement payments with the counties or specialized nonprofit organizations;
- (3) Amend provisions relating to the State Rent Supplement Program;
- (4) Establish the State Rent Supplement Program Special Fund;
- (5) Require the Department of Land and Natural Resources to assess a transaction fee for each applicable recording in the Office of the Assistant Registrar of the Land



Court or the Bureau of Conveyances to be deposited into the State Rent Supplement Program Special Fund;

- (6) Repeal the existing separate State Rent Supplement Program for Kupuna; and
- (7) Appropriate funds.

Your Committees received testimony in support of this measure from the Hawaii Public Housing Authority, Aloha United Way, and three individuals.

Your Committees received testimony in opposition to this measure from one individual.

Your Committees received comments on this measure from the Department of the Attorney General and Policy Advisory Board on Elder Affairs.

Your Committees find that the State Rent Supplement Program is a targeted, cost-effective tool to prevent eviction and homelessness. Notably, the State Rent Supplement Program helps low-income households bridge the gap between income and rising rental costs and, in doing so, allows families and seniors to remain stably housed in their communities. In addition to the direct benefits it provides to low-income households, the State Rent Supplement Program also prevents the substantial social and fiscal costs associated with displacement and homelessness.

This measure strengthens the State Rent Supplement Program by establishing a dedicated special fund, providing a sustainable funding mechanism, and prioritizing assistance for vulnerable populations, including kupuna, families with children, and persons with disabilities. Through these changes, this measure ensures that the State Rent Supplement Program remains both compassionate and fiscally responsible.

Your Committees have amended this measure by:

- (1) Clarifying that the moneys collected from recordings with the Land Court and Bureau of Conveyances for the State Rent Supplement Program Special Fund constitute a transaction tax, rather than a fee;



- (2) Inserting language to require that the transaction tax be in an amount equal to twice the amount of the applicable recording fees established by administrative rules adopted by the Department of Land and Natural Resources, to be levied on each recording in the Bureau of Conveyances;
- (3) Inserting a blank appropriation to establish and fund four full-time equivalent (4.0 FTE) permanent Public Housing Specialist II positions and one full-time equivalent (1.0 FTE) permanent Public Housing Specialist IV position within the Hawaii Public Housing Authority to administer the State Rent Supplement Program;
- (4) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees note that 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 \$284,748 to establish and fund four full-time equivalent (4.0 FTE) permanent Public Housing Specialist II positions and one full-time equivalent (1.0 FTE) permanent Public Housing Specialist IV position within the Hawaii Public Housing Authority to administer the State Rent Supplement Program.

As affirmed by the records of votes of the members of your Committees on Housing and Water, Land, Culture and the Arts that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2227, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2227, 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
Water, Land, Culture and the
Arts,



CHRIS LEE, Chair



STANLEY CHANG, Chair



