

STAND. COM. REP. NO. 2400

Honolulu, Hawaii

FEB 19 2026

RE: S.B. No. 2338
S.D. 1

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. 2338 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Increase the salary cap of the Executive Director of Hawaii Housing Finance and Development Corporation to an amount that does not exceed the Governor's salary;
- (2) Rename the "Executive Assistant" to the "Deputy Executive Director" and increases that position's salary cap to ninety-five percent of the Executive Director salary;
- (3) Prohibit the Hawaii Housing Finance and Development Corporation and Hawaii Public Housing Authority from making employment contracts that exceed two years, unless approved by the Legislature; and
- (4) Provide the Hawaii Housing Finance and Development Corporation with autonomy in personnel matters.



Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation and Stanford Carr Development, LLC.

Your Committee received testimony in opposition to this measure from two individuals.

Your Committee received comments on this measure from the Department of Human Resources Development, Hawaii Public Housing Authority, and one individual.

Your Committee finds that the responsibilities of the Hawaii Housing Finance and Development Corporation and Hawaii Public Housing Authority have increased in number and complexity over the past decade. For example, the number of units developed that the Corporation has facilitated has more than doubled. Likewise, the Corporation receives more than twice as many applications for Low-Income Housing Tax Credits than it received in 2015. This growth in responsibilities reflects rising demand for housing in the State, increasingly complex financing structures, and greater volume of projects.

Your Committee notes, however, that despite these increased responsibilities, the Hawaii Housing Finance and Development Corporation has encountered challenges in granting merit-based salary increases to its employees. Though this measure increases the Hawaii Housing Finance and Development Corporation's flexibility in personnel matters, further amendments are necessary to ensure the effectiveness of the Hawaii Housing Finance and Development Corporation and Hawaii Public Housing Authority in meeting the State's housing goals.

Accordingly, your Committee has amended this measure by:

- (1) Inserting language establishing the Finance Director position within the Hawaii Housing Finance and Development Corporation to oversee all finance programs of the Corporation;
- (2) Inserting language requiring the Hawaii Housing Finance and Development Corporation to measure personnel performance metrics according to the number of units delivered by program type, state funding per unit, rate



at which funds revolve, and the range of household incomes served;

- (3) Inserting language providing the Hawaii Public Housing Authority autonomy in personnel matters, including establishing and filling positions and setting salaries;
- (4) Amending section 1 to reflect its amended purpose;
- (5) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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. 2338, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2338, S.D. 1, and be referred to your Committee on Ways and Means.

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


STANLEY CHANG, Chair



