

Honolulu, Hawaii
, 2026

MAR 25

RE: S.B. No. 2544
S.D. 2
H.D. 1

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

Madame:

Your Committee on Housing, to which was referred S.B. No. 2544, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish a five-year Hawaii Builds Pilot Program within the Hawaii Housing Finance and Development Corporation;
- (2) Authorize the Hawaii Housing Finance and Development Corporation to expend monies from the Dwelling Unit Revolving Fund for the Pilot Program, subject to an annual expenditure cap; and
- (3) Require the Hawaii Housing Finance and Development Corporation to submit annual reports on the Pilot Program to the Legislature.

Your Committee received testimony in support of this measure from the Hawaii State Council on Developmental Disabilities; Hawaii Housing Finance and Development Corporation; and Maui Chamber of Commerce. Your Committee received testimony in opposition to this measure from UNITE HERE Local 5. Your



Committee received comments on this measure from the State Procurement Office and Office of Hawaiian Affairs.

Your Committee finds that Hawaii continues to face an acute shortage of affordable housing, particularly for households that do not qualify for low-income programs but remain priced out of market-rate housing. Your Committee further finds that successful models in other jurisdictions demonstrate that acting as a proactive public developer by securing land, assembling entitlements, and preparing shovel-ready projects significantly accelerates delivery timelines and reduces risk for housing development partners. This measure will support faster production of units for the middle class and help stabilize Hawaii's strained workforce housing market.

Your Committee has amended this measure by:

- (1) Clarifying the qualification requirements for a project to be eligible for the Pilot Program;
- (2) Deleting language that would have required the State Historic Preservation Division to complete its review of any application from the Pilot Program within sixty days of receipt;
- (3) Clarifying that an application shall be deemed approved if the Department of Health does not provide written justification for an extension to conduct a hazard evaluation, wastewater, and safe drinking water application;
- (4) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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. 2544, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2544, S.D. 2, H.D. 1, and be referred to your Committee on Finance.



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

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LUKE A. EVSLIN, Chair



