

STAND. COM. REP. NO. 2978

Honolulu, Hawaii

MAR 06 2026

RE: S.B. No. 2806
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 Judiciary, to which was referred S.B. No. 2806, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO REAL ESTATE,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Prohibit real estate brokers from listing or offering the sale or lease of residential real estate to a limited or exclusive group of prospective buyers, real estate brokers, or real estate salespersons, with limited exceptions; and
- (2) Deem the practice an unfair or deceptive trade or practice subject to penalties and grounds for discipline.

Your Committee received testimony in support of this measure from the Hawai'i Real Estate Commission of the Department of Commerce and Consumer Affairs, Hawai'i Association of REALTORS, and one individual.

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



Your Committee finds that the State is facing a housing affordability crisis, with scarce inventory, high prices, and fierce competition for homes. However, a significant number of residential properties in the State are never publicly listed and are instead sold through private networks, often to wealthy, well-connected buyers. These "pocket listings", or off-market sales, undermine fairness, transparency, and equal opportunity in the residential real estate market by favoring wealthy buyers and shutting out working families, first-time buyers, and residents who are trying to find a place to call home. This measure will promote fairness in the competitive local real estate market by ensuring that every resident receives a fair chance to participate.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2806, S.D. 1, and recommends that it pass Third Reading.

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



KARL RHOADS, Chair



