

STAND. COM. REP. NO. 2387

Honolulu, Hawaii

FEB 19 2026

RE: S.B. No. 3127
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 Hawaiian Affairs, to which was referred
S.B. No. 3127 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION
ACT, 1920, AS AMENDED,"

begs leave to report as follows:

The purpose and intent of this measure is to increase the
limit of the State's liability for moneys borrowed by the
Department of Hawaiian Home Lands or loans made to lessees that
are guaranteed by the Department from \$100,000,000 to
\$500,000,000.

Your Committee received testimony in support of this measure
from the Department of Hawaiian Home Lands, Ko'olau Foundation,
Legacy Ventures, and two individuals.

Your Committee finds that the Department of Hawaiian Home
Lands' ability to deliver homesteads and home ownership
opportunities to beneficiaries is directly tied to the
Department's ability to guarantee mortgage loans. Your Committee
further finds that as lands held in trust by the Department of
Hawaiian Home Lands are inalienable, the Department is required to
guarantee mortgage loans made for homes on Hawaiian home lands
when lenders do not have a loan assurance program. This measure
will allow the Department of Hawaiian Home Lands to increase



construction of affordable units and homeownership for beneficiaries.

Your Committee has amended this measure by:

- (1) Inserting an effective date of September 9, 2129, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3127, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3127, S.D. 1, and be referred to your Committees on Ways and Means and Judiciary.

Respectfully submitted on
behalf of the members of the
Committee on Hawaiian Affairs,



HERBERT M. RICHARDS, III, Chair



