

Honolulu, Hawaii

MAR 30 , 2026

RE: S.B. No. 3219
H.D. 2

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

Madame:

Your Committee on Judiciary & Hawaiian Affairs, to which was referred S.B. No. 3219, H.D. 1, entitled:

"A BILL FOR AN ACT PROPOSING AMENDMENTS TO ARTICLE VII,
SECTIONS 12 AND 13, OF THE HAWAII STATE CONSTITUTION,"

begs leave to report as follows:

The purpose of this measure is to propose constitutional amendments to expressly authorize the Legislature to allow political subdivisions, such as the counties, to issue housing infrastructure growth bonds for specified public works, public improvements, or other actions necessary for new housing development, and to exclude these bonds from determinations of the funded debt of the political subdivisions.

Your Committee received testimony in support of this measure from the Hawaii Public Housing Authority; Hawaii Housing Finance and Development Corporation; Office of Planning and Sustainable Development; Hawaii Community Development Authority; two members of the Maui County Council; Pacific Resource Partnership; D.R. Horton Hawaii; NAIOP Hawaii; Hawai'i Association of REALTORS; Hawaii Laborers & Employers Cooperation and Education Trust Fund; Operating Engineers Local 3; Castle & Cooke Homes Hawai'i, Inc.; Housing Hawai'i's Future; and Hawaii Regional Council of Carpenters. Your Committee received testimony in opposition to this measure from Land Use Research Foundation of Hawaii. Your



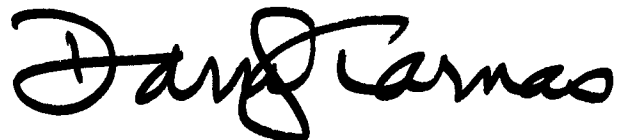
Committee received comments on this measure from Tax Foundation of Hawaii.

Your Committee finds that Hawaii's ongoing housing shortage cannot be addressed without substantial, sustained investment in the infrastructure necessary to support new housing development, particularly in transit-oriented development areas and other priority growth areas across the State. Expressly authorizing counties to issue housing infrastructure growth bonds and excluding such bonds from county debt limit calculations, when repaid solely from incremental revenues, will provide counties with a flexible financing tool to support housing-enabling infrastructure.

Your Committee has amended this measure by 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 Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3219, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as S.B. No. 3219, H.D. 2.

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



DAVID A. TARNAS, Chair



