

STAND. COM. REP. NO.

1756

Honolulu, Hawaii

**MAR 18**, 2025

RE: S.B. No. 576  
S.D. 1  
H.D. 1

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Madame:

Your Committee on Housing, to which was referred S.B. No. 576, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO FINANCIAL ADMINISTRATION,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Exempt expenditures from the Public Housing Special Fund from appropriation and allotment by the Legislature, subject to certain requirements;
- (2) Amend the required contents of legislative reports to be submitted by the Hawaii Public Housing Authority and Hawaii Housing Finance and Development Corporation; and
- (3) Amend the scope of monies to be deposited into and the purposes of the Public Housing Special Fund.

Your Committee received testimony in support of this measure from the Hawaii Public Housing Authority. Your Committee received comments on this measure from the Department of Budget and Finance and Department of the Attorney General.

2025-2549 SB576 HD1 HSCR HMSO



1756

Your Committee finds that the Hawaii Public Housing Authority is one of only two statewide housing authorities in the nation that directly administers public housing units in addition to other federal and state housing programs. Your Committee acknowledges the Hawaii Public Housing Authority's mission to create opportunities that promote economic empowerment, build inclusive and thriving communities, and break the cycle of concentrated poverty and understands the need for financial flexibility to ensure that the Authority meets this mission. However, your Committee notes the concerns raised by the Department of the Attorney General, that the exemption of Public Housing Special Fund expenditures from legislative appropriation proposed by this measure conflicts with Article VII, section 5, of the Hawaii State Constitution, which prohibits public monies from being expended except pursuant to appropriations made by law.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that would have exempted expenditures from the Public Housing Special Fund from appropriation and allotment by the Legislature; and
- (2) 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. 576, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 576, S.D. 1, H.D. 1, and be referred to your Committee on Finance.

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

ZAC

---

LUKE A. EVSLIN, Chair



