

Honolulu, Hawaii

FEB 12 2025

RE: S.B. No. 67
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Housing, to which was referred S.B. No. 67
entitled:

"A BILL FOR AN ACT RELATING TO INCLUSIONARY ZONING,"

begs leave to report as follows:

The purpose and intent of this measure is to prohibit any law, ordinance, or rule from imposing an inclusionary zoning requirement on housing offered exclusively for sale or rent in perpetuity to buyers or renters who are residents of the State, are owner-occupants or renters, and do not own any other real property.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Grassroot Institute of Hawaii, and one individual.

Your Committee finds that the State's chronic housing shortage is a significant factor in the relocation of residents out of Hawaii. According to a 2022 study conducted by the University of Hawaii Economic Research Organization, regulations such as inclusionary zoning has severely limited the ability of the housing market to develop the units necessary to meet existing demand. As existing regulations affect project feasibility, certain housing developments may be delayed or deemed infeasible, further limiting the supply of planned and existing housing. Therefore, this measure promotes regulatory efficiency with the



development of housing projects to help certain renters and buyers remain in the State while securing housing classified as affordable.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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. 67, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 67, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

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

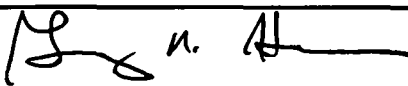


STANLEY CHANG, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Housing
HOU

Bill / Resolution No.:* <div style="text-align: center; font-size: 1.2em;">SB 67</div>	Committee Referral: <div style="text-align: center; font-size: 1.2em;">HOU, JDC/WAM</div>	Date: <div style="text-align: center; font-size: 1.2em;">2/6/25</div>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
CHANG, Stanley (C)	/			
HASHIMOTO, Troy N. (VC)	/			
AQUINO, Henry J.C.				/
KANUHA, Dru Mamo	/			
FEVELLA, Kurt				/
TOTAL	3	2	2	2
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: <div style="text-align: center; font-size: 1.5em;">  </div>				
Distribution: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div style="text-align: center;">Original File with Committee Report</div> <div style="text-align: center;">Yellow Clerk's Office</div> <div style="text-align: center;">Pink Drafting Agency</div> <div style="text-align: center;">Goldenrod Committee File Copy</div> </div>				

*Only one measure per Record of Votes