

STAND. COM. REP. NO.

138

Honolulu, Hawaii

FEB 04 , 2025

RE: H.B. No. 1317
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 H.B. No. 1317 entitled:

"A BILL FOR AN ACT RELATING TO WORKFORCE HOUSING,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish a Workforce Housing Regulatory Sandbox Program within the Hawaii Housing Finance and Development Corporation to expedite permitting and regulatory requirements for workforce housing projects; and
- (2) Establish an advisory council within the Workforce Housing Regulatory Sandbox Program to provide guidance and oversight.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation and Hawaii Chamber of Commerce.

Your Committee finds that the State continues to face a severe housing shortage, with a critical need for workforce housing to support the State's economy and provide affordable living options for essential workers. Your Committee further finds that despite efforts to streamline permitting and increase

2025-1187 HB1317 HD1 HSCR HMSO



land availability, bureaucratic challenges have hindered progress. Your Committee believes that a regulatory sandbox offers a pathway to foster innovative housing solutions and accelerate the development of workforce housing throughout the State.

Your Committee has amended this measure by:

- (1) Specifying that notwithstanding any other law, rule, ordinance, or code to the contrary, the Workforce Housing Regulatory Sandbox Program (Program) is vested with the authority to waive or temporarily modify permitting processes and other regulatory requirements for eligible workforce housing projects;
- (2) Modifying the membership of the Workforce Housing Regulatory Sandbox Program Advisory Council, including adding the following:
 - (A) The Director of the Office of Planning and Sustainable Development, who shall serve as the Chairperson;
 - (B) Each director of a county department of planning or department of planning and permitting, as applicable; and
 - (C) Each director of a county department of public works or department of facility maintenance, as applicable;
- (3) Clarifying that one adult in each household participating in the Program shall work an average of thirty hours or more per week at a business operating in the State;
- (4) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (5) 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 H.B. No.



1317, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1317, H.D. 1, and be referred to your Committee on Water & Land.

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



LUKE A. EVSLIN, Chair



