

JAN 23 2026

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# A BILL FOR AN ACT

RELATING TO THE UNIVERSITY OF HAWAII.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1       SECTION 1. The legislature finds that hands-on, real-world  
2 experience is a critical component of higher education,  
3 particularly in fields such as hospitality, agriculture,  
4 culinary arts, and business management. To provide this  
5 essential training, the university of Hawaii must be able to  
6 operate "teaching laboratories," facilities that function as  
7 active businesses to give students practical experience in their  
8 chosen careers.

9       The legislature further finds that these educational  
10 laboratories often mimic commercial enterprises in their  
11 operations, such as teaching hotels or culinary centers.  
12 Consequently, these facilities can face regulatory hurdles at  
13 the county level, where zoning codes and requirements for  
14 special use permits, designed for commercial entities, are  
15 applied to educational institutions. For example, the  
16 university of Hawaii Maui college's hospitality academy seeks to  
17 operate a limited number of guest rooms for student training but



1 faces zoning challenges regarding the collection of fees and the  
2 requirement for special use permits.

3 The legislature determines that the educational mission of  
4 the university of Hawaii is a matter of statewide concern.  
5 Subjecting university educational programs to varying county  
6 zoning ordinances and discretionary permit processes hinders the  
7 development of necessary workforce training programs.

8 The purpose of this Act is to authorize the university of  
9 Hawaii to engage in enterprise-related activities that have an  
10 educational nexus on its campuses statewide, notwithstanding  
11 county zoning laws or requirements for special use permits.

12 SECTION 2. Chapter 304A, Hawaii Revised Statutes, is  
13 amended by adding a new section to be appropriately designated  
14 and to read as follows:

15 **"§304A- Enterprise-related activities; educational**  
16 **nexus; exemption from county regulation.** (a) Notwithstanding  
17 any law, county ordinance, or county zoning regulation to the  
18 contrary, the university of Hawaii may engage in enterprise-  
19 related activities on any lands under its control, provided that  
20 the activity has a demonstrable educational nexus.



1        (b) For the purposes of this section, an "educational  
2 nexus" exists when the enterprise-related activity:

3        (1) Is integrated into a credit-bearing curriculum,  
4        certificate program, or workforce development program  
5        offered by the university;

6        (2) Provides practical, hands-on training or research  
7        opportunities for students; and

8        (3) Is conducted primarily for educational purposes rather  
9        than solely for profit.

10       (c) Activities authorized under this section shall be  
11 exempt from county zoning ordinances, land use restrictions, and  
12 requirements for special use permits, conditional use permits,  
13 or similar county-level land use approvals.

14       (d) Authorized enterprise-related activities may include:

15       (1) Hospitality training laboratories, including the  
16       operation of guest rooms and the collection of lodging  
17       fees; provided that the hospitality training  
18       laboratories are used to train students in  
19       hospitality, tourism, or business management;

20       (2) Culinary, agricultural, or retail operations that sell  
21       goods or services produced by university programs; and



(3) Other training facilities as designated by the board  
of regents.

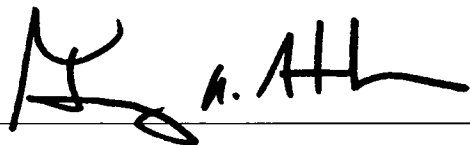
(e) Any revenue generated by these activities shall be  
retained by the university program operating the activity to  
defray costs, maintain facilities, or support student  
scholarships.

(f) While exempt from zoning permits, these facilities  
shall remain subject to applicable state health and safety codes  
and, where applicable, general excise and transient  
accommodations taxes."

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

INTRODUCED BY:

A handwritten signature in black ink, appearing to be 'H. A. H.', written over a horizontal line.



# S.B. NO. 2674

**Report Title:**

UH; Enterprise-Related Activities

**Description:**

Authorizes the University of Hawaii to engage in enterprise-related activities for educational purposes.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

