

**STATE OF HAWAII
OFFICE OF PLANNING
& SUSTAINABLE DEVELOPMENT**

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

MARY ALICE EVANS
DIRECTOR

235 South Beretania Street, 6th Floor, Honolulu, Hawai'i 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawai'i 96804

Telephone: (808) 587-2846
Fax: (808) 587-2824
Web: <https://planning.hawaii.gov/>

Statement of
MARY ALICE EVANS, Director

before the
**SENATE COMMITTEE ON
PUBLIC SAFETY AND MILITARY AFFAIRS**

Monday, March 23, 2026, 3:01 PM
State Capitol, Conference Room 016

in consideration of
**HB 2606, HD 2
RELATING TO OFF-SITE CONSTRUCTION.**

Chair Fukunaga, Vice Chair Lee, and Members of the Senate Committee on Public Safety & Military Affairs.

The Office of Planning and Sustainable Development (OPSD) **supports and offers comments on HB 2606, HD2**, which implements certain recommendations of the SPEED Task Force to establish and appropriate funds for a working group within the State Building Code Council (SBCC) to develop proposals for an off-site construction program.

OPSD would like to **express our preference for HB 2606, HD 2 over its companion measure, SB 3187, SD 2**. The current House draft incorporates essential amendments from the Plumbers and Fitters Local 675 United Association, which provide necessary clarity and oversight for the off-site construction program. Specifically, HB 2606, HD 2 clarifies that the program is limited to single-family home components and designs that are constructed, inspected, and installed within the State in full compliance with Hawai'i's building codes, design standards, and public works laws. Furthermore, HB 2606, HD 2 expands the certification of factories and inspections of standardized models to state- or county-level officials.

HB 2606, HD 2, is a direct outcome of the Building Permit (BP) Permitted Interaction Group (PIG), which operated under the State's Simplifying Permitting for Enhanced Economic Development (SPEED) Task Force. We would like to recognize the dedication and hard work of the taskforce members, whose collaborative efforts have successfully identified innovative solutions to streamline development and remove systemic barriers that have long hindered the growth of our housing inventory.

Throughout discussions in the BP PIG, there was overwhelming support among stakeholders to explore the potential of off-site construction as a critical tool to address Hawai'i's ongoing housing crisis. By leveraging modular and prefabricated construction methods, the State

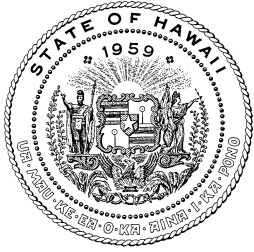
can significantly reduce build times and lower costs, providing a necessary pathway to deliver units at the scale and speed required by our residents. The development of a formal off-site construction program is notably aligned with the Governor's current housing initiatives, which prioritize substantial, efficient actions to increase supply and ensure that Hawaiian families have access to affordable housing.

OPSD believes that a working group is an ideal mechanism for developing the specific proposals and regulatory frameworks needed for a successful off-site construction program. This approach ensures that we move forward in a sensible, well-planned, and deliberate manner, allowing for the thorough vetting of safety standards, labor considerations, and logistical requirements unique to our island geography. **OPSD stands ready to participate in this working group** and looks forward to collaborating with our partners to turn this potential into a reality.

However, **OPSD offers the comment** that in order to effectively establish the working group proposed in HB 2606, HD 2, the State Building Code Council must be fully active and operational. We note that the SBCC has faced significant challenges in recent years, including periods where it has not met regularly or promulgated code updates due to a lack of dedicated staff and the impact of various emergency proclamations. Official records indicate that the SBCC's regular cycle of meeting and administrative rulemaking was largely suspended or deferred as recently as 2024 and 2025.

To address these operational hurdles, **OPSD would like to highlight** a critical budget item in HB 1800, HD1. Item number 39A, Program ID AGS-892, appropriates \$326,882 in general funds to support two full-time equivalent (FTE) positions and other current expenses for the State Building Code Council. Restoring the SBCC's functional capacity is a prerequisite for the success of HB 2606, HD 2. Without the staff and resources to facilitate regular rulemaking and oversight, the proposed working group will lack the necessary foundation to be effective.

Thank you for the opportunity to testify in support of this measure.



SMALL BUSINESS REGULATORY REVIEW BOARD

Department of Business, Economic Development & Tourism (DBEDT)
Capitol Modern Building, 250 S. Hotel Street, Fifth Floor, Honolulu, HI 96813
Mailing Address: P.O. Box 2359, Honolulu, HI 96804
Email: dbedt.sbrb.info@hawaii.gov
Website: sbrb.hawaii.gov

Tel: 808 798-0737

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TESTIMONY

TO: Chair Fukunaga, Vice Chair Lee and Member of the Committee on Public Safety and Military Affairs

FROM: Jonathan Shick, Chairperson *Jonathan Shick*
Small Business Regulatory Review Board (SBRRB)

DATE: Monday, March 23, 2026 – 3:01 pm - Conference Room 016 & Videoconference

SUBJECT: House Bill 2606 HD2 Relating to Off-Site Construction - Support

On behalf of the SBRRB, I am providing testimony in support of House Bill 2606 HD2.

An SBRRB member sat on the Simplifying Permitting for Enhanced Economic Development Task Force beginning in 2025, which established various recommendations to develop proposals for an off-site construction program. The SBRRB respectfully defers commentary to the Department of Business, Economic Development and Tourism.

Thank you for allowing the SBRRB to provide testimony in support of this measure.



OFFICE OF HAWAIIAN AFFAIRS

‘Ōlelo Hō‘ike ‘Aha Kau Kānāwai

**TESTIMONY IN SUPPORT OF HOUSE BILL 2606 HD2
RELATING TO OFF-SITE CONSTRUCTION**

Ke Kōmike ‘Aha Kenekoa o ka Palekana Lehulehu, a me ke Kuleana Pū‘ali Koa
(Senate Committee on Public Safety and Military Affairs)

Ke Kapitala ‘o Hawai‘i
(Hawai‘i State Capitol)

Malaki 23, 2026

3:01 PM

Lumi 016

Aloha e Chair Fukunaga, Vice Chair Lee, and Members of the Committee on Public Safety and Military Affairs:

The Office of Hawaiian Affairs (OHA) **SUPPORTS HB2606 HD2**, which implements SPEED Task Force recommendations to establish a working group within the State Building Code Council to develop proposals for an off-site construction program.

As the constitutionally established entity responsible for protecting and promoting the rights of Native Hawaiians,¹ OHA supports policies that increase access to affordable housing while maintaining critical protections for the environment and cultural practices.

OHA appreciates that this measure focuses on examining structural improvements to the housing development process through a working group. The centralized processes proposed create more efficient pathways for housing production. At the same time, it appropriately maintains county authority over site-specific considerations such as infrastructure, utilities, and hazard exposure, ensuring that local conditions continue to inform development decisions.

This approach is consistent with findings from the Simplifying Permitting for Enhanced Economic Development (SPEED) Task Force, which emphasized that Hawai‘i’s housing challenges stem from a broad array of issues ranging from process design, workforce capacity, and intergovernmental coordination—not simply the existence of

¹ Haw. Const. Art. XII § 5.

regulatory requirements.² This bill reflects these recommendations by improving coordination across agencies, supporting construction workforce development, and strengthening local supply chains.

OHA strongly encourages the Legislature to continue advancing structural solutions such as those proposed in this measure as the most effective path to increasing housing production, rather than slashing statutes designed to protect cultural and natural resources. Efforts to improve system design address the root causes of delay and inefficiency. In contrast, recurring proposals to broadly reduce or bypass regulatory requirements risk undermining critical and carefully balanced protections that are ultimately required by our State Constitution, without meaningfully resolving the underlying barriers to housing development.³ Prioritizing thoughtful, system-based reforms will yield more reliable and sustainable housing outcomes for Hawai‘i.

For these reasons, OHA encourages the committee to **PASS HB2606 HD2.**

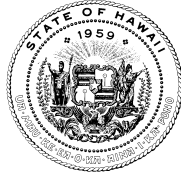
Mahalo for the opportunity to provide testimony.

² See *Final Report of the Permitted Interaction Groups for Chapter 6E/Historic Preservation, Individual Wastewater Systems, and Building Permits*, SPEED Task Force, p. 6-7 (Dec. 2025). The SPEED Task Force was established by Act 133 (2025) to identify challenges and measures needed to expedite development permit processes.

³ See Haw. Const. Art XI, §§ 1, 3; Art. XII, §§ 4, 7.

JOSH GREEN, M.D.
GOVERNOR
STATE OF HAWAII
*Ke Kia'āina o ka Moku'āina 'o
Hawaii*

SYLVIA J. LUKE
LT. GOVERNOR
STATE OF HAWAII
*Ka Hope Kia'āina o ka Moku'āina
'o Hawaii*



KALI WATSON
CHAIRPERSON, HHC
Ka Luna Ho'okele

KATIE L. LAMBERT
DEPUTY TO THE CHAIR
Ka Hope Luna Ho'okele

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
Ka 'Oihana 'Āina Ho'opulapula Hawaii'i

P. O. BOX 1879
HONOLULU, HAWAII 96805

TESTIMONY OF KALI WATSON, CHAIR
HAWAIIAN HOMES COMMISSION
BEFORE THE SENATE COMMITTEE ON PUBLIC SAFETY
AND MILITARY AFFAIRS
ON MARCH 23, 2026 AT 3:01PM IN CR 016

HB2606, HD2, RELATING TO OFF-SITE CONSTRUCTION

March 23, 2026

Aloha Chair Fukunaga, Vice Chair Lee and members of the Committee:

The Department of Hawaiian Home Lands (DHHL) **supports with comments** this bill which 1) implements certain recommendations of the SPEED Task Force, 2) establishes a working group within the State Building Code Council to develop proposals for an off-site construction program, and 3) appropriates funds.

DHHL supports this bill because for DHHL to meet the trust requirements to provide housing for its beneficiaries, DHHL has had to overcome significant barriers toward achieving these goals and some of which are addressed in this legislation.

DHHL also offers the following comments. Currently there is a limitation for off-site construction to single-family homes less than one thousand two hundred square feet. Limitations on the type and size of off-site construction should be determined by the working group outlined in this measure. Off-site construction production requires a minimum number of units to justify the investment in establishing a locally based facility but having such a limit would essentially require out-of-state suppliers.

Lastly, while this bill identifies that the county agencies would be responsible for site-specific review, it does not specify the need to modify any of its regulations and procedures to accommodate the efficiency of off-site construction and the importance of needing to occupy these structures once they are completed. The Certificate of Occupancy or its equivalent is just as important as a building permit to expedite housing.

Thank you for your consideration of our testimony.



The Plumbers and Fitters UA Local 675

1109 Bethel Street, Lower Level, Honolulu, Hawai'i 96813

'A'ohe hana nui ke alu 'ia

March 23, 2026

State Senate- Committee on Public Safety and Military Affairs

Senator Carol Fukunaga, Chair and Senator Chris Lee, Vice Chair

Reference: **HB2606, H.D. 2, Relating to Of-Site Construction**

Hearing: Monday, March 23, 2026, Room 016 at 3:01 pm

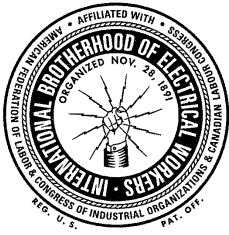
Aloha Chair Fukunaga, Vice Chair Lee, and Committee Members;

The Plumbers and Fitters UA Local 675 ("Local 675") are one of three licensed crafts in Hawai'i's construction industry. Its member apprentices and journeymen are guided by and licensed in accordance with the Uniform Plumbing Code ("UPC"), published by the International Association of Plumbing and Mechanical Officials ("IAPMO") who's stated purpose is providing minimum requirements and standards for the protection of public health, safety, and welfare.

Local 675 SUPPORTS House Bill 2606, H.D. 2 which implements recommendations from the Simplifying Permitting for Enhanced Economic Development (SPEED) task force established pursuant to Act 133, SLH 2025, to establish and appropriate funds for a working group within the state building code council to develop proposals for an off-site construction program.

Local 675 understands the need for housing its local residents and supports efforts to identify and develop programs that provide such housing at affordable levels while preserving and developing local workforce opportunities, promoting local economic sustainability and growth, and protecting the health, safety, and welfare of the public by ensuring that local building codes and standards are properly applied and enforced.

HB2606, H.D. 2 allows for input from a broader spectrum of relevant stakeholders that ensure while we explore alternative housing solutions, we are mindful of and maintain the health, safety, and welfare of the public. Mahalo for the opportunity to testify on this measure.



International Brotherhood of Electrical Workers

LOCAL UNION NO. 1186 • Affiliated with AFL-CIO

1935 HAU STREET, 5th Floor • HONOLULU, HI 96819-5003
TELEPHONE (808) 847-5341 • FAX (808) 847-2224

TO: SENATE COMMITTEE ON PUBLIC SAFETY AND MILITARY AFFAIRS
Hearing on Monday, March 23, 2026 at 3:01 p.m., Conference Room 016

RE: TESTIMONY IN **SUPPORT** OF HB 2606 HD2

Honorable Chair Carol Fukunaga, Vice Chair Chris Lee, and Members of the Committee on Public Safety and Military Affairs:

The International Brotherhood of Electrical Workers Local Union 1186 (IBEW 1186), is comprised of over 2,700 men and women working in electrical construction, telecommunications, civil service employees, and educator and faculty associations.

IBEW 1186 **SUPPORTS HB 2606 HD2**, which implements recommendations of the Simplifying Permitting for Enhanced Economic Development (SPEED) Task Force. By establishing a working group within the State Building Code Council, this measure creates a formal pathway to consider an off-site construction program that addresses Hawaii's urgent housing crisis.

We fully recognize the critical and immediate housing needs facing the families of Hawaii and support the exploration of diverse opportunities and innovative building options to expand our inventory. However, it is equally vital that we implement these solutions in a way that preserves and strengthens our local workforce, ensuring that the jobs created by new construction technologies remain within our community. It is essential that Hawaii develops a locally based off-site construction facility to justify internal investment and reduce our reliance on out-of-state suppliers.

Including representatives from construction labor organizations and licensed crafts, among the variety of qualified persons in this working group, will help prioritize public health and safety by maintaining local building codes and standards.

We ask the Committee to pass HB 2606 HD2 with this current language.

Thank you for the opportunity to provide our perspective on this bill.



March 23, 2026

TO: Chair Fukunaga and Members of the Committee on Public Safety and Military Affairs
RE: HB 2606 HD2, Relating to Off-Site Construction

Dear Chair Fukunaga and Committee Members,

Housing Hawai'i's Future is a nonprofit dedicated to creating opportunities for Hawai'i's next generation by ending the workforce housing shortage.

We support House Bill 2606 HD2. This measure proposes the establishment of a working group within the State Building Code Council to develop proposals for an off-site construction program.

By convening a dedicated working group, HB2606 HD2 creates a forum for stakeholders to identify regulatory barriers and recommend standards that facilitate the adoption of off-site construction in Hawai'i. This aligns with our mission to promote policies that expand housing supply and increase affordability for residents.

Amidst our chronic housing shortage, Hawai'i cannot afford to ignore any housing option. Hawai'i presently enjoys the lowest rate of homeownership in the United States among young adults, specifically those under the age of 35. We need to expand homeownership opportunities for our young residents, especially those members of our workforce who want to stay in Hawai'i for decades to come.

We are grateful for your careful consideration of House Bill 2606 HD2.

Thank you,

Lee Wang
Executive Director
Housing Hawai'i's Future
lee@hawaiiisfuture.org

Perry Arrasmith
Director of Policy
Housing Hawai'i's Future
perry@hawaiiisfuture.org

HB-2606-HD-2

Submitted on: 3/19/2026 7:59:06 AM

Testimony for PSM on 3/23/2026 3:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Galen Fox	Individual	Support	Written Testimony Only

Comments:

Support for HB2606. Hawaii must have more low-cost homes built. One of the best ways to get there is through off-site construction of multiple units in a factory-type setting using unionized labor. The working group HB2606 establishes is needed now. Mahalo for this measure.

HB-2606-HD-2

Submitted on: 3/20/2026 6:17:39 AM

Testimony for PSM on 3/23/2026 3:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Glen Kagamida	Individual	Support	Written Testimony Only

Comments:

STRONG STRONG SUPPORT!!!

The recommendations will create efficiencies and lower construction costs. Mahlo!

Glen Kagamida, Hilo



March 22, 2026

TO: Honorable Carol Fukunaga, Chair
Honorable Chris Lee, Vice Chair
Senate Committee on Public Safety and Military Affairs

FROM: Legislative Advocacy Committee
American Institute of Architects, Hawai'i State Council

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A Chapter of the
American Institute of Architects

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AIA Hawaii
Center for Architecture
828 Fort St. Mall, Suite 100
Honolulu, HI 96813-4452

T 808-628-7243
contact@aiahonolulu.org
aiahonolulu.org/hsc

1.1.19 ver.

Aloha Chair, Vice Chair, and Members of the Senate Committee on Public Safety and Military Affairs

Thank you for the opportunity to provide testimony to **comment on HB2606 HD2**, which establishes an Off-Site Construction Working Group under the State Building Code Council (SBCC).

We support this measure as a thoughtful step to explore how off-site construction can help address Hawai'i's housing challenges. We offer the following comments to clarify an important distinction that may inform the working group's efforts: the difference between manufactured housing and off-site construction.

These terms are often used interchangeably but represent different regulatory frameworks:

- **Manufactured Housing:** Built entirely in a factory and regulated under the federal HUD Code, with limited local code applicability.
- **Off-Site Construction:** Includes modular, panelized, and prefabricated components built off-site but designed to comply with state and local building codes. These projects remain subject to local permitting, inspections, and site requirements.

This distinction matters because the policy approaches differ. Manufactured housing already benefits from federal preemption and established pathways, while off-site construction presents an opportunity for the State to create a coordinated framework—such as state-level certification and standardized plan approvals—to reduce duplicative county reviews.

Clarifying this will help the working group:

- Focus on certification and approvals for modular and prefabricated construction;
- Reduce redundant county-level plan reviews while maintaining code compliance;
- Consider integration with county zoning, infrastructure, and permitting processes;
- Draw from, but not be limited by, existing manufactured housing protocols.

Finally, the success of this effort depends on a fully resourced SBCC with sufficient staffing to support the working group and develop recommendations for the 2027 Legislature. In closing, we support HB2606 HD2 as an opportunity to advance innovative construction approaches. A clear understanding of these distinctions will be essential to developing an effective program. Thank you for the opportunity to provide **comments on HB2606 HD2**.

Respectfully submitted,

Melanie Islam, AIA
President
AIA Hawai'i