

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



GOV. MSG. NO. 1239

EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

June 24, 2026

The Honorable Ronald D. Kouchi
President of the Senate,
and Members of the Senate
Thirty-Third State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Nadine K. Nakamura
Speaker, and Members of the
House of Representatives
House of Representatives
Thirty-Third State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Aloha President Kouchi, Speaker Nakamura, and Members of the Legislature:

This is to inform you that on June 24, 2026, the following bill was signed into law:

H.B. NO. 2171, H.D. 1, S.D. 1,
C.D. 1

RELATING TO THE UNIVERSITY OF HAWAII.
ACT 138

Mahalo,

A handwritten signature in black ink that reads "Josh Green M.D." in a cursive style.

Josh Green, M.D.
Governor, State of Hawai'i

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, which are facilities that
7 function as active businesses to give students practical
8 experience in their 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 pursuant to article X, section 6, of the Hawaii State
6 Constitution. Subjecting university educational programs to
7 varying county zoning ordinances and discretionary permit
8 processes hinders the development of necessary workforce
9 training programs.

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

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

17 "§304A- Enterprise-related activities; educational
18 nexus; exemption from county regulation. (a) Notwithstanding
19 any law, county ordinance, or county zoning regulation to the
20 contrary, the university of Hawaii may engage in enterprise-



1 related activities on any lands owned, leased, or otherwise
2 controlled by the university.

3 (b) Any revenue generated by enterprise-related activities
4 authorized under this section shall be retained by the
5 university to defray costs, maintain facilities, or support
6 student scholarships.

7 (c) Enterprise-related activities authorized under this
8 section shall be considered a permitted use on all lands
9 designated for university purposes. To facilitate these
10 educational operations, the university shall be exempt from
11 county zoning ordinances and requirements for special use
12 permits, conditional use permits, or other county land use
13 approvals.

14 (d) Nothing in this section shall exempt the university or
15 its facilities from mandatory compliance with technical and
16 safety codes. Facilities hosting enterprise-related activities
17 shall remain strictly subject to:

- 18 (1) Applicable state or county building codes;
19 (2) The state fire code;
20 (3) Department of health sanitation and food safety
21 standards;



1 (4) Accessibility requirements overseen by the disability
2 and communications access board; and

3 (5) Where applicable, general excise and transient
4 accommodations taxes.

5 (e) For purposes of this section, "enterprise-related
6 activities" means structured, program-based operations conducted
7 by the university on lands owned, leased, or otherwise
8 controlled by the university that:

9 (1) Are directly and integrally related to an academic,
10 career and technical education, workforce development,
11 or research program offered by the university;

12 (2) Provide supervised, hands-on training or applied
13 learning opportunities in a real-world setting,
14 including but not limited to the production of goods,
15 provision of services, or operation of facilities that
16 simulate or replicate industry conditions;

17 (3) Require active and ongoing student participation as
18 part of a credit-bearing course, certificate program,
19 or formally administered training program;



1 (4) Are operated primarily for instructional, training, or
2 research purposes, and not as a primary commercial
3 enterprise; and

4 (5) May generate incidental revenue through the sale of
5 goods or services; provided that any such revenue is
6 secondary to and supportive of the educational
7 mission.

8 "Enterprise-related activities" may include but shall not be
9 limited to teaching laboratories, training facilities, clinics,
10 production environments, incubators, or other applied learning
11 settings designated by the board of regents that meet the
12 requirements of this section."

13 SECTION 3. New statutory material is underscored.

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



APPROVED this 24th day of June, 2026



GOVERNOR OF THE STATE OF HAWAII

HB No. 2171, HD 1, SD 1, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 6, 2026
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Third Legislature of the State of Hawaii, Regular Session of 2026.



Nadine K. Nakamura
Speaker
House of Representatives

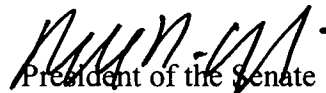



Brian L. Takeshita
Chief Clerk
House of Representatives

THE SENATE OF THE STATE OF HAWAI'I

Date: May 6, 2026
Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-Third Legislature of the State of Hawai'i, Regular Session of 2026.


President of the Senate


Clerk of the Senate