

JAN 21 2026

A BILL FOR AN ACT

RELATING TO A DEPARTMENT OF HOUSING.

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

1 SECTION 1. The legislature finds that over the past
2 century, the Territory and State of Hawaii established a variety
3 of entities to provide and increase the supply of housing in
4 Hawaii. These housing entities are now placed across multiple
5 departments, which has caused redundancies and bureaucracies
6 that hinder progress toward solving Hawaii's housing shortage.

7 Accordingly, the purpose of this Act is to unify Hawaii
8 housing efforts by establishing a new department of housing,
9 consisting of the Hawaii housing finance and development
10 corporation, Hawaii community development authority, Hawaii
11 public housing authority, office of planning and sustainable
12 development, and other future state housing entities and
13 initiatives.

14 SECTION 2. Chapter 26, Hawaii Revised Statutes, is amended
15 by adding a new section to be appropriately designated and to
16 read as follows:



1 "§26- Department of housing. (a) The department of
2 housing shall be headed by a single executive to be known as the
3 director of housing.

4 (b) The department of housing shall:

5 (1) Be responsible for:

6 (A) Planning, coordinating, and implementing
7 section 226-19;

8 (B) All aspects of policy and planning relating to
9 the development, redevelopment, preservation,
10 maintenance, and improvement of housing for
11 individuals and families at all income levels;

12 (C) All aspects of coastal zone management and
13 special management area permits, land use,
14 climate change, sustainability, environmental
15 review, geographic information systems and
16 mapping, economic resilience, and other statewide
17 policy interests as they pertain to the
18 development of housing for individuals and
19 families at all income levels; and

20 (D) All aspects of planning, infrastructure, and
21 community building and mixed-use development of



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housing for individuals and families at all
income levels;

(2) Strengthen and revitalize communities throughout the
State by promoting affordable housing opportunities;

(3) Collaborate with local officials, public agencies,
community groups, local housing authorities, and other
housing developers to plan for and develop affordable
housing units; and

(4) Ensure compliance with applicable statutes,
regulations, and financial assistance agreements for
funded activities through long-term program compliance
monitoring.

(c) The department of housing may adopt rules pursuant to
chapter 91 as may be necessary or desirable to fulfill its
mission.

(d) The following are placed in the department of housing
for administrative purposes pursuant to section 26-35:

(1) Hawaii community development authority;

(2) Hawaii housing finance and development corporation;

(3) Office of planning and sustainable development;

(4) Hawaii public housing authority; and



(5) Any other agencies, boards, and commissions as shall
be provided by law;
provided that the Hawaii public housing authority shall be
attached to the department for administrative purposes only."

SECTION 3. Section 26-4, Hawaii Revised Statutes, is
amended to read as follows:

"§26-4 Structure of government. Under the supervision of
the governor, all executive and administrative offices,
departments, and instrumentalities of the state government and
their respective functions, powers, and duties shall be
allocated among and within the following principal departments
that are hereby established:

(1) Department of human resources development
(Section 26-5);

(2) Department of accounting and general services
(Section 26-6);

(3) Department of the attorney general (Section 26-7);

(4) Department of budget and finance (Section 26-8);

(5) Department of commerce and consumer affairs
(Section 26-9);

(6) Department of taxation (Section 26-10);



- 1 (7) University of Hawaii (Section 26-11);
- 2 (8) Department of education (Section 26-12);
- 3 (9) Department of health (Section 26-13);
- 4 (10) Department of human services (Section 26-14);
- 5 (11) Department of land and natural resources
- 6 (Section 26-15);
- 7 (12) Department of agriculture and biosecurity
- 8 (Section 26-16);
- 9 (13) Department of Hawaiian home lands (Section 26-17);
- 10 (14) Department of business, economic development, and
- 11 tourism (Section 26-18);
- 12 (15) Department of transportation (Section 26-19);
- 13 (16) Department of labor and industrial relations
- 14 (Section 26-20);
- 15 (17) Department of defense (Section 26-21);
- 16 (18) Department of corrections and rehabilitation
- 17 (Section 26-14.6); ~~and~~
- 18 (19) Department of law enforcement (Section 26-14.8) ~~[]~~ ;
- 19 and
- 20 (20) Department of housing (Section 26-)."



1 SECTION 4. Section 26-14, Hawaii Revised Statutes, is
2 amended by amending subsection (d) to read as follows:

3 "(d) The [~~Hawaii public housing authority and the~~] Hawaii
4 state commission on the status of women [~~are~~] is placed within
5 the department of human services for administrative purposes
6 only."

7 SECTION 5. Section 26-18, Hawaii Revised Statutes, is
8 amended by amending subsection (b) to read as follows:

9 "(b) The following are placed in the department of
10 business, economic development, and tourism for administrative
11 purposes as defined by section 26-35: [~~Hawaii community~~
12 ~~development authority, Hawaii housing finance and development~~
13 ~~corporation,~~] Hawaii technology development corporation, natural
14 energy laboratory of Hawaii authority, and any other boards and
15 commissions as shall be provided by law."

16 SECTION 6. Section 26-52, Hawaii Revised Statutes, is
17 amended to read as follows:

18 "**§26-52 Department heads and executive officers.** The
19 salaries of the following state officers shall be as follows:

20 (1) The salary of the superintendent of education shall be
21 set by the board of education. The superintendent



1 shall be subject to an annual performance evaluation
2 that is in alignment with other employee evaluations
3 within the department of education and are based on
4 outcomes determined by the board of education;
5 provided that nothing shall prohibit the board of
6 education from conditioning a portion of the salary on
7 performance;

8 (2) The salary of the president of the university of
9 Hawaii shall be set by the board of regents;

10 (3) Effective July 1, 2004, the salaries of all department
11 heads or executive officers of the departments of
12 accounting and general services; agriculture and
13 biosecurity; attorney general; budget and finance;
14 business, economic development, and tourism; commerce
15 and consumer affairs; corrections and rehabilitation;
16 Hawaiian home lands; health; housing; human resources
17 development; human services; labor and industrial
18 relations; land and natural resources; law
19 enforcement; taxation; and transportation shall be as
20 last recommended by the executive salary commission.
21 Effective July 1, 2007, and every six years



1 thereafter, the salaries shall be as last recommended
2 by the commission on salaries pursuant to section
3 26-56, unless rejected by the legislature; and
4 (4) The salary of the adjutant general shall be \$85,302 a
5 year. Effective July 1, 2007, and every six years
6 thereafter, the salary of the adjutant general shall
7 be as last recommended by the commission on salaries
8 pursuant to section 26-56, unless rejected by the
9 legislature, except that if the state salary is in
10 conflict with the pay and allowance fixed by the
11 tables of the regular Army or Air Force of the United
12 States, the latter shall prevail."

13 SECTION 7. Section 225M-1, Hawaii Revised Statutes, is
14 amended to read as follows:

15 "**§225M-1 Purpose.** The purpose of this chapter is to
16 establish an office of planning and sustainable development to
17 assist the governor; the director of housing; the director of
18 business, economic development, and tourism; the legislature;
19 and state and county agencies in maintaining an overall
20 framework to guide the development of the State through a
21 continuous process of comprehensive, long-range, and strategic



1 planning to meet the physical, economic, and social needs of
2 Hawaii's people, and provide for the wise use of Hawaii's
3 resources in a coordinated, efficient, and economical manner,
4 including the conservation of those natural, environmental,
5 recreational, scenic, historic, and other limited and
6 irreplaceable resources [~~which~~] that are required for future
7 generations.

8 The establishment of an office of planning and sustainable
9 development in the department of [~~business, economic~~
10 ~~development, and tourism,~~] housing, for administrative purposes,
11 is intended to:

- 12 (1) Fix responsibility and accountability to successfully
13 carry out statewide planning programs, policies, and
14 priorities;
- 15 (2) Improve the efficiency and effectiveness of the
16 operations of the executive branch; and
- 17 (3) Ensure comprehensive planning and coordination to
18 enhance the quality of life of the people of Hawaii."

19 SECTION 8. Section 356D-2, Hawaii Revised Statutes, is
20 amended by amending subsection (a) to read as follows:



1 "(a) There is established the Hawaii public housing
2 authority to be placed within the department of [~~human services~~]
3 housing for administrative purposes only. The authority shall
4 be a public body and a body corporate and politic."

5 SECTION 9. Sections 201H-2, 201H-3, 206E-3, 225M-2,
6 225M-3, and 225M-4, Hawaii Revised Statutes, are amended by
7 substituting the phrase "director of housing" wherever the
8 phrase "director of business, economic development, and tourism"
9 appears, as the context requires.

10 SECTION 10. Sections 201H-2, 206E-3, and 225M-2, Hawaii
11 Revised Statutes, are amended by substituting the phrase
12 "department of housing" wherever the phrase "department of
13 business, economic development, and tourism" appears, as the
14 context requires.

15 SECTION 11. All rights, powers, functions, and duties of:

16 (1) The department of business, economic development, and
17 tourism relating to the Hawaii housing finance and
18 development corporation pursuant to chapter 201H,
19 Hawaii Revised Statutes; Hawaii community development
20 authority pursuant to chapter 206E, Hawaii Revised
21 Statutes; and office of planning and sustainable



1 development pursuant to chapter 225M, Hawaii Revised
2 Statutes; and

3 (2) The department of human services relating to the
4 Hawaii public housing authority pursuant to
5 chapter 356D, Hawaii Revised Statutes,
6 are transferred to the department of housing.

7 All officers and employees whose functions are transferred
8 by this Act shall be transferred with their functions and shall
9 continue to perform their regular duties upon their transfer,
10 subject to the state personnel laws and this Act.

11 No officer or employee of the State having tenure shall
12 suffer any loss of salary, seniority, prior service credit,
13 vacation, sick leave, or other employee benefit or privilege as
14 a consequence of this Act, and the officer or employee may be
15 transferred or appointed to a civil service position without the
16 necessity of examination; provided that the officer or employee
17 possesses the minimum qualifications for the position to which
18 transferred or appointed; and provided that subsequent changes
19 in status may be made pursuant to applicable civil service and
20 compensation laws.



1 An officer or employee of the State who does not have
2 tenure and who may be transferred or appointed to a civil
3 service position as a consequence of this Act shall become a
4 civil service employee without the loss of salary, seniority,
5 prior service credit, vacation, sick leave, or other employee
6 benefits or privileges and without the necessity of examination;
7 provided that such officer or employee possesses the minimum
8 qualifications for the position to which transferred or
9 appointed.

10 If an office or position held by an officer or employee
11 having tenure is abolished, the officer or employee shall not
12 thereby be separated from public employment, but shall remain in
13 the employment of the State with the same pay and classification
14 and shall be transferred to some other office or position for
15 which the officer or employee is eligible under the personnel
16 laws of the State as determined by the head of the department or
17 the governor.

18 SECTION 12. All rules, policies, procedures, guidelines,
19 and other material adopted or developed by the transferred
20 agencies to implement provisions of the Hawaii Revised Statutes
21 that are reenacted or made applicable to the department of



1 housing by this Act shall remain in full force and effect until
2 amended or repealed by the department of housing pursuant to
3 chapter 91, Hawaii Revised Statutes. In the interim, every
4 reference to the department of business, economic development,
5 and tourism and department of human services as they pertain to
6 the transferred agencies in those rules, policies, procedures,
7 guidelines, and other material is amended to refer to the
8 department of housing, as appropriate.

9 SECTION 13. All deeds, leases, contracts, loans,
10 agreements, permits, or other documents executed or entered into
11 by or on behalf of the department of business, economic
12 development, and tourism and the department of human services as
13 they pertain to the transferred agencies pursuant to the
14 provisions of the Hawaii Revised Statutes that are reenacted or
15 made applicable to the department of housing by this Act shall
16 remain in full force and effect. Upon the effective date of
17 this Act, every reference to the department of business,
18 economic development, and tourism and the department of human
19 services as they pertain to the transferred agencies in those
20 deeds, leases, contracts, loans, agreements, permits, or other




1 documents shall be construed as a reference to the department of
2 housing.

3 SECTION 14. All appropriations, records, equipment,
4 machines, files, supplies, contracts, books, papers, documents,
5 maps, and other personal property heretofore made, used,
6 acquired, or held by the department of business, economic
7 development, and tourism and the department of human services
8 relating to the functions transferred to the department of
9 housing shall be transferred with the functions to which they
10 relate.

11 SECTION 15. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 16. This Act shall take effect on July 1, 2050.

14

INTRODUCED BY: 



S.B. NO. 2188

Report Title:

Department of Housing; HCDA; HHFDC; OPSD; HPHA; Establishment; Transfer

Description:

Establishes the Department of Housing. Places the Hawaii Community Development Authority, Hawaii Housing Finance and Development Corporation, Office of Planning and Sustainable Development, and Hawaii Public Housing Authority within the Department of Housing for administrative purposes. Replaces the Director of Business, Economic Development, and Tourism with the Director of Housing on the Hawaii Community Development Authority. Effective 7/1/2050.

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