

Honolulu, Hawaii

FEB 20 , 2026

RE: H.B. No. 1742  
H.D. 2

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2026  
State of Hawaii

Madame:

Your Committee on Transportation, to which was referred H.B. No. 1742, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose of this measure is to authorize the construction and occupation of self-contained relocatable housing units in the State, with certain restrictions.

Your Committee received testimony in support of this measure from the Hawai'i Association of REALTORS; Grassroot Institute of Hawaii; Housing Hawai'i's Future; Hawaii Tiny Homes; and Castleblock, Inc. Your Committee received testimony in opposition to this measure from the Community Associations Institute; Law Offices of Mark K. McKellar, LLC; and numerous individuals. Your Committee received comments on this measure from the Department of Health and one individual.

Your Committee finds that the State continues to face a severe housing shortage at all income levels, driven in part by high construction costs, lengthy development timelines, and inconsistent county permitting processes. Advances in factory-built housing have created self-contained relocatable housing units that can provide safe, code-compliant, and flexible housing options; however, outdated state laws and regulatory uncertainty



have hindered their broader use. By establishing a clear statewide framework that authorizes the construction and occupation of self-contained relocatable housing units subject to certain health and safety standards, ministerial county permitting, and reasonable restrictions, this measure expands housing opportunities while preserving county authority and protecting public health and safety.

Your Committee has amended this measure by:

- (1) Requiring any installation of a self-contained relocatable housing unit to be manufactured in the State or procured by a state-approved distributor;
- (2) Deleting language that would have preempted a condominium association, cooperative housing corporation, or planned community association from prohibiting at least one self-contained relocatable housing unit;
- (3) Defining "manufactured home" and specifying that a manufactured home is considered real property, requiring its transfer, conveyance, and mortgage to follow the same recording and enforcement requirements as other real property; and
- (4) 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 Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1742, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Judiciary & Hawaiian Affairs in the form attached hereto as H.B. No. 1742, H.D. 2.



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



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DARIUS KILA, Chair



