

STAND. COM. REP. NO. 334-26

Honolulu, Hawaii
FEB 17, 2026

RE: H.B. No. 1799
H.D. 1

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

Madame:

Your Committees on Housing and Water & Land, to which was referred H.B. No. 1799 entitled:

"A BILL FOR AN ACT RELATING TO THE COUNTIES,"

beg leave to report as follows:

The purpose of this measure is to expand a county's experimental and demonstration housing project authority to include the development of commercial projects.

Your Committees received testimony in support of this measure from the Department of Housing and Land Management of the City and County of Honolulu and one individual. Your Committees received testimony in opposition to this measure from the Department of Water of the County of Kaua'i and one individual. Your Committees received comments on this measure from the Honolulu Board of Water Supply.

Your Committees find that counties have authority to establish experimental and demonstration housing projects, but lack comparable flexibility to support innovative commercial development that can stimulate local economic activity. Your Committees further find that allowing counties to pursue pilot commercial projects under similar streamlined processes will provide an opportunity to evaluate alternative regulatory models without compromising safety or public oversight. Your Committees

2026-1162 HB1799 HD1 HSCR HMSO



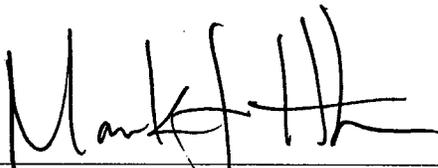
believe that providing this flexibility to the counties can streamline regulatory learning, inform long-term land use policy, and strengthen the State's overall approach to housing and economic development.

Your Committees have amended this measure by:

- (1) Prohibiting experimental and demonstration housing projects and commercial projects from affecting safety standards, tariffs, rates, and fees of the various boards of water supply;
- (2) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Housing and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1799, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1799, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committees on Housing and Water
& Land,



MARK J. HASHEM, Chair



LUKE A. EVSLIN, Chair



