

Honolulu, Hawaii

FEB 19, 2026

RE: H.B. No. 2515
H.D. 1

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

Madame:

Your Committee on Housing, to which was referred H.B. No. 2515 entitled:

"A BILL FOR AN ACT RELATING TO WORKFORCE HOUSING,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish the Workforce Housing Regulatory Sandbox Program within the Hawaii Housing Finance and Development Corporation to have the authority to waive or temporarily modify permitting processes and other regulatory requirements for eligible workforce housing projects; and
- (2) Establish an advisory council within the Workforce Housing Regulatory Sandbox Program to advise on environmental and cultural practices within specific developments.

Your Committee received testimony in support of this measure from the Office of Planning and Sustainable Development; Hawaii Housing Finance and Development Corporation; Hawaii Public Housing Authority; Hawaii Community Development Authority; Chamber of Commerce Hawaii; Housing Hawai'i's Future; Maui Chamber of Commerce; and one individual.



Your Committee finds that Hawaii continues to face a severe shortage of workforce housing, due in part to lengthy regulatory processes, interagency coordination challenges, and limited opportunities to test innovative development models. Your Committee further finds that the State needs innovative regulatory changes to allow developers to test new approaches under temporary regulatory flexibility to better address the severe shortage of housing for Hawaii's residents. This measure will provide a structured, time-limited mechanism to evaluate alternative regulatory approaches that may accelerate the delivery of workforce housing while preserving appropriate safeguards.

Your Committee has amended this measure by:

- (1) Clarifying the membership of the advisory council;
- (2) Expanding the authority of the Hawaii Housing Finance and Development Corporation to approve temporary waivers or modifications to include state-administered processes;
- (3) Specifying that the Hawaii Housing Finance and Development Corporation's first legislative report is due twenty days before the convening of the Regular Session of 2028;
- (4) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (5) 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 Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2515, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2515, H.D. 1, and be referred to your Committee on Finance.



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



LUKE A. EVSLIN, Chair



