

STAND. COM. REP. NO.

2684

Honolulu, Hawaii

FEB 2 Q 2026

RE: S.B. No. 2423
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committees on Water, Land, Culture and the Arts and
Housing, to which was referred S.B. No. 2423 entitled:

"A BILL FOR AN ACT RELATING TO ZONING,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Prohibit the counties from imposing certain lot requirements and dwelling specifications for parcels of land located within the urban district for purposes of subdivision, development, or the issuance of a building permit, with certain exemptions; and
- (2) Allow the counties to establish a petition process for neighborhoods, subdivisions, or other geographically contiguous areas to establish or retain certain requirements or specifications.

Your Committees received testimony in support of this measure from one member of the Kaua'i County Council, Hawai'i YIMBY, Grassroot Institute of Hawaii, AARP Hawai'i, Housing Hawai'i's Future, Hawai'i Appleseed Center for Law and Economic Justice, and two individuals.

Your Committees received testimony in opposition to this measure from one individual.



Your Committees received comments on this measure from the Department of Planning and Permitting of the City and County of Honolulu.

Your Committees find that there is strong demand in the State for small homes on small pieces of land, as evidenced by many landowners and developers who use the condominium property regime process to circumvent existing subdivision standards in urban areas. The condominium property regime process creates long-term challenges for homeowners, including higher monthly expenses, special assessments, and difficulties obtaining or maintaining mortgage financing if a building is underinsured, whereas properly regulated, conventionally subdivided fee-simple lots would give homeowners clearer, more traditional ownership interests and achieve the same or greater levels of land-use efficiency. This measure will reduce restrictions of lots and dwellings within the State's urban district, better aligning the law with market behavior and supporting the State's housing goals.

Your Committees note the concerns raised in testimony by the Department of Planning and Permitting of the City and County of Honolulu that this measure currently applies to all industrial, commercial, and apartment districts, and to those lands in the county agricultural districts, all for which the minimum lot size of one thousand two hundred square feet may be too small to accommodate uses within the districts; and that the minimum lot standards proposed by this measure may be too small to be minimally developed with all the necessary public infrastructure required by county policies. Amendments to this measure are therefore necessary to address these concerns.

Accordingly, your Committees have amended this measure by:

- (1) Inserting language that specifies that lot requirements that counties are prohibited from requiring, by ordinance, rule, or regulation, on any parcel of land located within the urban district designated pursuant to section 205-2, Hawaii Revised Statutes, apply only to a lot zoned for housing;
- (2) Prohibiting the counties from requiring a lot to be greater than 2,500 square feet, rather than 1,200 square



feet, by ordinance, rule, or regulation, on any parcel of land located within the urban district designated pursuant to section 205-2, Hawaii Revised Statutes;

- (3) Deleting language that would have prohibited counties from requiring a lot to be wider than thirty feet and deeper than forty feet, by ordinance, rule, or regulation, on any parcel of land located within the urban district designated pursuant to section 205-2, Hawaii Revised Statutes;
- (4) Inserting language that prohibits counties from requiring a lot to restrict the height of solid fences or walls in side or back yards to less than seven and a half feet, by ordinance, rule, or regulation, on any parcel of land located within the urban district designated pursuant to section 205-2, Hawaii Revised Statutes;
- (5) Inserting language that, where accessory dwelling units are permitted by counties, prohibits counties from requiring a lot zoned for housing to require an accessory dwelling unit to be less than 1,250 square feet;
- (6) Deleting language that would have prohibited counties from requiring a lot to have more than thirty percent open space or permeable surface, by ordinance, rule or regulation, on any parcel of land located within the urban district designated pursuant to section 205-2, Hawaii Revised Statutes;
- (7) Deleting language that would have prohibited counties from prohibiting a dwelling from having three stories or less, for purposes of subdivision, development, or the issuance of a building permit, by ordinance, rule, or regulation, on any parcel of land located within the urban district designated pursuant to section 205-2, Hawaii Revised Statutes;
- (8) Deleting the definition of "dwelling";



- (9) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (10) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water, Land, Culture and the Arts and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2423, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2423, S.D. 1, and be referred to your Committee on Judiciary.

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



STANLEY CHANG, Chair



CHRIS LEE, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Housing
HOU

Bill / Resolution No.:* <i>SB2423</i>	Committee Referral: <i>WLA/HOU, JDL</i>	Date: <i>02/17/26</i>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
CHANG, Stanley (C)	/			
HASHIMOTO, Troy N. (VC)	/			
ELEFANTE, Brandon J.C.	/			
RHOADS, Karl	/			
FEVELLA, Kurt	/			
TOTAL	<i>5</i>	<i>0</i>	<i>0</i>	<i>0</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>[Signature]</i>				
Distribution: Original Yellow Pink File with Committee Report Committee Drafting Agency				

*Only one measure per Record of Votes