



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-THIRD LEGISLATURE, 2026**

ON THE FOLLOWING MEASURE:

H.B. NO. 1738, RELATING TO LAND USE DECISION-MAKING.

BEFORE THE:

HOUSE COMMITTEES ON HOUSING AND ON WATER & LAND

DATE: Friday, February 6, 2026 **TIME:** 8:45 a.m.

LOCATION: State Capitol, Room 430

TESTIFIER(S): Anne E. Lopez, Attorney General, or
Miranda C. Steed, Deputy Attorney General

Chairs Evslin and Hashem and Members of the Committees:

The Department of the Attorney General (Department) has the following comments to clarify the proposed amendments in this bill.

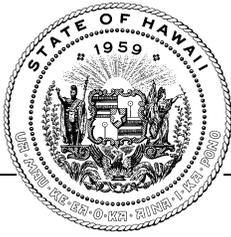
This bill amends section 205-3.1, Hawaii Revised Statutes, to allow counties to approve district boundary amendments for parcels up to twenty-five acres when used exclusively for residential housing, agricultural workforce housing, long-term rental, or workforce fee simple ownership.

The Department has identified a technical issue that requires clarification. The bill adds a new subsection (d) that applies to "land areas of **twenty-five acres or less** exclusively for purposes of residential housing." However, this wording could be interpreted to overlap with existing subsection (c), which already authorizes counties to process boundary amendments for lands **less than fifteen** acres.

To clarify that the new provision applies only to parcels between fifteen and twenty-five acres, we recommend amending page 2, lines 15-16, as follows:

"(d) District boundary amendments involving land areas of **greater than fifteen acres but not more than twenty-five acres** exclusively for purposes of

Thank you for the opportunity to provide comments.



**STATE OF HAWAII
OFFICE OF PLANNING
& SUSTAINABLE DEVELOPMENT**

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

MARY ALICE EVANS
DIRECTOR

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Statement of
MARY ALICE EVANS, Director

before the
HOUSE COMMITTEES ON HOUSING AND WATER AND LAND

Friday, February 6, 2026

8:45 AM

State Capitol, Conference Room 430

in consideration of

HB 1738

RELATING TO LAND USE DECISION-MAKING.

Chairs Evslin and Hashem, Vice Chairs Miyake and Morikawa, and Members of the House Committees on Housing and Water and Land.

The Office of Planning and Sustainable Development (OPSD) **supports with comment** HB 1738, which amends HRS § 205-3.1 to allow the county land use decision-making authority to approve district boundary amendments, without consideration by the land use commission, for land areas of twenty-five acres or less solely for housing under certain conditions.

OPSD strongly supports the provision of additional housing and expanding the counties' ability to approve district boundary amendments to encourage housing development in areas already identified as residential in a county general plan or community development plan. However, OPSD suggests that this expanded authority be aimed, to the extent possible, at promoting affordable residential, agricultural workforce, long-term rental, or workforce fee simple ownership projects.

Thank you for the opportunity to testify on this measure.

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



SHARON HURD
Chairperson
Board of Agriculture & Biosecurity

DEAN M. MATSUKAWA
Deputy to the Chairperson

State of Hawai'i
DEPARTMENT OF AGRICULTURE & BIOSECURITY
KA 'OIHANA MAHI'AI A KIA'I MEAOLA
1428 South King Street
Honolulu, Hawai'i 96814-2512
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TESTIMONY OF SHARON HURD
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEES ON HOUSING AND WATER AND LAND

FRIDAY, FEBRUARY 6, 2026
8:45 AM
CONFERENCE ROOM 430

HOUSE BILL NO. 1738
RELATING TO LAND USE DECISION-MAKING

Chairs Evslin and Hashem, Vice Chairs Miyake and Morikawa and Members of the Committees:

Thank you for the opportunity to testify on House Bill No. 1738 that provides the authority for the counties to amend district boundaries of up to 25 acres for purposes of residential housing, agricultural workforce housing, long-term rental, or workforce fee simple ownership. The Department of Agriculture and Biosecurity (Department) offers comments and amendments.

The Department does not dispute the need for housing. We have limited our comments and recommendations to the list of agriculturally-related characteristics (page 3, lines 3-13).

Page 3, line 5

“(2) Not designated as important agricultural lands pursuant to Part III of Chapter 205, Hawaii Revised Statutes;”

Page 3, lines 6-10

“(3) On lands with soils classified by the land study bureau’s detailed land classification as overall (master) productivity rating class [C,] D, E, or U if within the agricultural district; and”

The reason for removing “C”-rated agricultural land from the effect of this measure is because these lands often are nearly as productive as “B”-rated agricultural land if irrigated.

Thank you for the opportunity to provide testimony on this measure.

February 6, 2026

The Honorable Luke A. Evslin, Chair

House Committee on Housing

The Honorable Mark J. Hashem

House Committee on Water & Land
State Capitol, Conference Room 430 & Videoconference

RE: House Bill 1738, Relating to Land-Use Decision Making

HEARING: Friday, February 6, 2026, at 8:45 a.m.

Aloha Chair Evslin, Chair Hashem, and Members of the Joint Committees:

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawaii and its over 10,000 members. HAR **supports** House Bill 1738, which provides the authority for counties to amend district boundaries up to 25 acres for purposes of residential housing, agricultural workforce housing, long-term rental, or workforce fee simple ownership.

The Land Use Commission ("LUC") is responsible for classifying land into urban, rural, agricultural, and conservation districts. The LUC also reviews and decides on land use district boundary amendment petitions involving the reclassification of more than fifteen acres in the agricultural, rural, or urban districts, provided the land is not within the conservation district or designated as important agricultural lands. Parcels smaller than 15 acres may be reclassified by the counties.

At the county level, the process includes multiple opportunities for public input, including presentations to neighborhood boards and public testimony before the county Planning Commission and City Council. Hawaii continues to face a serious housing shortage, including a critical need for both residential and workforce housing. HAR believes that increasing the acreage threshold from 15 to 25 acres for county approval to amend district boundaries for residential and workforce housing projects will still allow for meaningful public participation and oversight while supporting the production of much needed housing in our state.

Mahalo for the opportunity to provide testimony on this measure.



Officers

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State President

Christian Zuckerman
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Waimānalo, O'ahu

Vincent Kimura
Honolulu, O'ahu

Natalie Urminska
Kaua'i

Aloha Chairs Evslin & Hashem, Vice Chairs Miyake & Morikawa, and Committee Members,

The Hawai'i Farmers Union is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawaiian Islands. **HFU supports the intent of HB1738.**

HB1738 empowers counties to fast-track agricultural workforce housing but risks permanently losing productive acreage to development if based on the obsolete Land Study Bureau (LSB) classification system.

The LSB classification system used in this bill was developed in the 1960s and 1970s; it does not account for modern soil or market data, irrigation extents or production techniques that can make "marginal" lands highly productive.

By increasing the county boundary amendment threshold to 25 acres without updating soil productivity metrics, the State invites land speculation where developers use outdated "C" or "D" ratings to bypass the Land Use Commission and reclassify quality lands non-agricultural use.

While HFU supports the intent of creating agricultural workforce housing, such housing must be tethered to actual food production on land verified by modern realities rather than 50-year-old maps.

Updating our land-use decision-making to reflect 2026 agricultural realities is the only way to ensure economic viability for our producers and support a robust agricultural sector.

Mahalo for the opportunity to testify.

Hunter Heavilin
Advocacy Director
Hawai'i Farmers Union

Feb. 6, 2026, 8:45 a.m.
Hawaii State Capitol
Conference Room 430 and Videoconference

To: House Committee on Housing
Rep. Luke Evslin, Chair
Rep. Tyson K. Miyake, Vice Chair

House Committee on Water & Land
Rep. Mark J. Hashem, Chair
Rep. Dee Morikawa, Vice Chair

From: Grassroot Institute of Hawaii
Ted Kefalas, Director of Strategic Campaigns

TESTIMONY IN SUPPORT OF HB1738 — RELATING TO LAND USE DECISION-MAKING

Aloha chairs, vice chairs and other members of the committees,

The Grassroot Institute supports [HB1738](#), which would give the counties authority to amend district boundaries up to 25 acres for the purpose of residential housing, agricultural workforce housing, long-term rentals or workforce fee simple ownership.

This measure correctly identifies one of the causes of Hawaii's housing crisis: excessive red tape. As Grassroot explained in its 2020 report "[Reform the Hawaii LUC to encourage more housing](#)," the state Land Use Commission's authority over district boundary amendments greater than 15 acres often puts a roadblock in the way of new housing projects.¹

The LUC review process for DBAs can be lengthy and complicated. Applicants must navigate multiple rounds of filings as well as possible appeals, which can significantly delay even modest housing developments. These delays and the uncertainty that accompanies the approval process add to the cost of construction, which ultimately drives up home prices.

¹ Jackson Makanikeoe Grubbe, "[Reform the Hawaii LUC to encourage more housing](#)," Grassroot Institute of Hawaii, September 2020.

Moreover, LUC review of DBAs often duplicates work done by county councils, zoning boards and planning departments. When a proposed project already complies with county plans and ordinances, redundant state-level review undermines local authority without significantly advancing the public interest.

Expanding the counties' authority to approve DBAs for new housing would help streamline the approval process while reducing the burden on the LUC.

Thank you for the opportunity to testify.

Ted Kefalas
Director of strategic campaigns
Grassroot Institute of Hawaii



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

**HEARING BEFORE THE HOUSE COMMITTEE ON HOUSING AND
COMMITTEE ON WATER & LAND
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 430
FRIDAY, FEBRUARY 6, 2026 AT 8:45 A.M.**

To The Honorable Representative Luke A. Evslin, Chair
The Honorable Representative Tyson K. Miyake, Vice Chair
Members of the Committee on Housing

To The Honorable Representative Mark J. Hashem, Chair
The Honorable Representative Dee Morikawa, Vice Chair
Members of the Committee on Water & Land

SUPPORT HB1728 RELATING TO LAND USE DECISION-MAKING

The Maui Chamber of Commerce supports HB1738, which authorizes counties to amend district boundaries for parcels up to 25 acres to facilitate residential housing, agricultural workforce housing, long-term rental, or workforce fee simple ownership. With housing being one of our top priorities, we recognize that efficient land use decision-making is essential to addressing Hawai'i's ongoing housing crisis, especially for workforce and affordable housing needs.

Allowing counties greater authority to reclassify smaller parcels for housing purposes represents a meaningful step toward reducing regulatory barriers that often delay or discourage much-needed housing development. By empowering the counties to respond more nimbly to community needs, this measure aligns with best practices that recommend devolving certain land use decisions to the level of government closest to the impacted communities. This approach can expedite the delivery of housing, help stabilize rents, and support local economic resilience.

We also note that the bill's focus on residential, workforce, and agricultural workforce housing is well targeted, as these categories are among the most underserved in the current market. Streamlining the process for projects of limited acreage helps ensure that infill, modular, and innovative housing solutions are not unduly burdened by lengthy state-level review.

To maximize the bill's positive impact, we respectfully recommend that counties be provided with clear guidance and technical assistance to implement these new authorities effectively and equitably. Mahalo for the opportunity to share our support of HB1738.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

HB-1738

Submitted on: 2/4/2026 5:20:10 PM

Testimony for HSG on 2/6/2026 8:45:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|---------------------|---------------------|---------------------------|---------------------------|
| Keoni DeFranco | Individual | Support | Written Testimony Only |

Comments:

Aloha Chair, Vice Chair, and Members of the Committee,

My name is Keoni DeFranco, and I submit this testimony in strong support of H.B. 1738.

Hawai‘i continues to face an urgent housing crisis that impacts working families, agricultural employees, and local communities across the state. While we need more housing options, our current land use approval processes are often slow, costly, and overly centralized, creating barriers to timely development of workforce and long-term housing.

H.B. 1738 provides counties with greater authority to make district boundary amendments of up to 25 acres for housing purposes, including residential housing, agricultural workforce housing, long-term rentals, and workforce ownership opportunities. This targeted approach keeps important agricultural lands protected, prioritizes lower productivity soils, and ensures consistency with county planning efforts.

By empowering counties to act more efficiently while maintaining strong safeguards, this bill supports local solutions to local housing needs and helps accelerate the development of housing where it is most appropriate.

I respectfully urge your support for H.B. 1738.

Mahalo for the opportunity to testify.

HB-1738

Submitted on: 2/5/2026 11:41:56 AM

Testimony for HSG on 2/6/2026 8:45:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|----------------------|---------------------|---------------------------|------------------------|
| Johnnie-Mae L. Perry | Individual | Oppose | Written Testimony Only |

Comments:

I, Johnnie-Mae L. Perry Oppose

1738 HB RELATING TO LAND USE DECISION-MAKING.