



# UNIVERSITY OF HAWAII SYSTEM

## ‘ŌNAEHANA KULANUI O HAWAII

### Legislative Testimony

### Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the  
Senate Committee on Ways and Means  
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By

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HB 2171 HD1 SD1 – RELATING TO THE UNIVERSITY OF HAWAII.

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

The University of Hawai'i (UH) supports HB 2171 HD1 SD1, which clarifies the University's authority to operate enterprise-related instructional activities. This measure is vital for providing high-quality, hands-on workforce training across the state while ensuring statutory clarity for the University's educational mission.

Experiential, hands-on learning is essential to preparing students for Hawai'i's priority workforce sectors, including hospitality, culinary arts, agriculture, business, and applied technologies. Facilities such as teaching hotels, kitchens, agricultural production sites, and retail laboratories are not commercial ventures; they are instructional spaces where students develop practical skills under faculty guidance in settings that replicate the technical specifications of their future work environments.

Because these instructional settings resemble commercial operations, UH campuses often face local zoning and permitting barriers designed for private businesses rather than educational institutions. These hurdles can significantly delay or prevent the implementation of critical workforce programs.

To ensure our programs align with rapidly changing workforce needs, the University must be able to pivot and scale efficiently. HB 2171 HD1 SD1 recognizes that the University's educational mission is a matter of statewide concern and provides necessary exemptions from discretionary county land-use approvals when a clear educational nexus exists. Specifically, this measure provides the following clarifications:

- **Zoning Ordinance Exemptions:** Exempts teaching laboratories from having to match the specific county zoning of the surrounding area (e.g., Commercial, Industrial, or Resort).
- **Special Use Permits (SUP):** Eliminates the requirement for the University to seek special permission from a County Planning Commission to operate on an educational parcel.

- Conditional Use Permits (CUP): Removes the county's ability to impose arbitrary restrictions on hours of operation, signage, or public access for these student-led labs.
- Continued Safety Compliance: Explicitly ensures the University is not exempt from critical health and safety regulations, including building codes, state fire code, Department of Health standards, and accessibility requirements.

Importantly, this bill maintains a balanced approach by preserving a strict boundary between education and commercial enterprise. To qualify for these exemptions:

- Authorized activities must be integrated into credit-bearing, certificate, or workforce development programs.
- Activities must be conducted primarily for educational or research purposes, and not solely for profit.
- All revenues generated will be retained by the University strictly to defray costs, maintain facilities, or support student scholarships.
- The bill maintains the applicability of all state general excise and transient accommodations taxes, where applicable.

By reducing regulatory uncertainty, HB 2171 HD1 SD1 strengthens our workforce pipelines and aligns with the University of Hawai'i's public mission to serve the state.

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