

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

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Statement of
MARY ALICE EVANS, Director

before the
HOUSE COMMITTEE ON WATER & LAND
Thursday, February 19, 2026, 9:00 AM
State Capitol, Conference Room 411

in consideration of
HB 2606, HD 1
RELATING TO OFF-SITE CONSTRUCTION.

Chair Hashem, Vice Chair Morikawa, and Members of the House Committee on Water & Land.

The Office of Planning and Sustainable Development (OPSD) **offers the following comments on HB 2606, HD 1**, which implements certain recommendations of the SPEED Task Force. Establishes and appropriates funds for a working group within the State Building Code Council to develop proposals for an off-site construction program.

HB 2606, HD 1 is a direct outcome of the Building Permit (BP) Permitted Interaction Group (PIG), which operated under the State's Simplifying Permitting for Enhanced Economic Development (SPEED) Task Force. We would like to recognize the dedication and hard work of the taskforce members, whose collaborative efforts have successfully identified innovative solutions to streamline development and remove systemic barriers that have long hindered the growth of our housing inventory.

Throughout discussions in the BP PIG, there was overwhelming support among stakeholders to explore the potential of off-site construction as a critical tool to address Hawai'i's ongoing housing crisis. By leveraging modular and prefabricated construction methods, the State can significantly reduce build times and lower costs, providing a necessary pathway to deliver units at the scale and speed required by our residents. The development of a formal off-site construction program is notably aligned with the Governor's current housing initiatives, which prioritize substantial, efficient actions to increase supply and ensure that Hawaiian families have access to affordable housing.

However, **OPSD offers the comment** that in order to effectively establish the working group proposed in HB 2606, HD 1, the State Building Code Council must be fully active and operational. We note that the SBCC has faced significant challenges in recent years, including periods where it has not met regularly or promulgated code updates due to a lack of dedicated

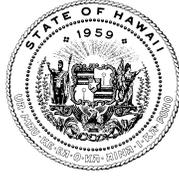
staff and the impact of various emergency proclamations. Official records indicate that the SBCC's regular cycle of meeting and administrative rulemaking was largely suspended or deferred as recently as 2024 and 2025. Restoring the Council's functional capacity is a prerequisite for the success of HB 2606, HD 1.

OPSD believes that a working group is an ideal mechanism for developing the specific proposals and regulatory frameworks needed for a successful off-site construction program. This approach ensures that we move forward in a sensible, well-planned, and deliberate manner, allowing for the thorough vetting of safety standards, labor considerations, and logistical requirements unique to our island geography. **OPSD stands ready to participate in this working group** and looks forward to collaborating with our partners to turn this potential into a reality.

Thank you for the opportunity to offer comments on this measure.

JOSH GREEN, M.D.
GOVERNOR
STATE OF HAWAII
*Ke Kia'āina o ka Moku'āina 'o
Hawai'i*

SYLVIA J. LUKE
LT. GOVERNOR
STATE OF HAWAII
*Ka Hope Kia'āina o ka Moku'āina
'o Hawai'i*



KALI WATSON
CHAIRPERSON, HHC
Ka Luna Ho'okele

KATIE L. LAMBERT
DEPUTY TO THE CHAIR
Ka Hope Luna Ho'okele

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

Ka 'Oihana 'Āina Ho'opulapula Hawai'i

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TESTIMONY OF KALI WATSON, CHAIR
HAWAIIAN HOMES COMMISSION
BEFORE THE HOUSE COMMITTEE ON WATER AND LAND
ON FEBRUARY 19, 2026 AT 9:00AM IN CR 411

HB2606, HD1, RELATING TO OFF-SITE CONSTRUCTION

February 19, 2026

Aloha Chair Hashem, Vice Chair Morikawa and Members of the Committee:

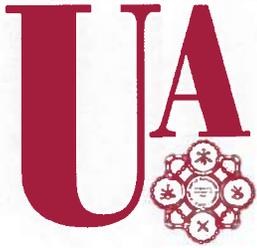
The Department of Hawaiian Home Lands (DHHL) **supports with comments** this bill which 1) implements certain recommendations of the SPEED Task Force, 2) establishes a working group within the State Building Code Council to develop proposals for an off-site construction program, and 3) appropriates funds.

DHHL supports this bill because for DHHL to meet the trust requirements to provide housing for its beneficiaries, DHHL has had to overcome significant barriers toward achieving these goals and some of which are addressed in this legislation.

DHHL also offers the following comments. Currently there is a limitation for off-site construction to single-family homes less than one thousand two hundred square feet. Limitations on the type and size of off-site construction should be determined by the working group outlined in this measure. Off-site construction production requires a minimum number of units to justify the investment in establishing a locally based facility but having such a limit would essentially require out-of-state suppliers.

Lastly, while this bill identifies that the county agencies would be responsible for site-specific review, it does not specify the need to modify any of its regulations and procedures to accommodate the efficiency of off-site construction and the importance of needing to occupy these structures once they are completed. The Certificate of Occupancy or its equivalent is just as important as a building permit to expedite housing.

Thank you for your consideration of our testimony.



Founded 1889

PLUMBERS AND FITTERS LOCAL 675 UNITED ASSOCIATION



February 16, 2026

Hawaii State House of Representatives

Committee on Water and Land

Representative Mark Hashem, Chair; Representative Dee Morikawa, Vice Chair

Reference: House Bill 2606, Relating to Off-Site Construction

Hearing: Tuesday, February 19, 2026, Room 411 at 9:00 am

Aloha Chair Hashem, Vice Chair Morikawa and Committee Members;

The Plumbers and Fitters UA Local 675 ("Local 675") are one of three licensed crafts in Hawaii's construction industry. Its member apprentices and journeymen are guided by and licensed in accordance with the Uniform Plumbing Code whose primary purpose is to protect the health, safety, and welfare of the public.

Local 675 supports the intent of House Bill 2606 which implements recommendations from the Simplifying Permitting for Enhanced Economic Development (SPEED) task force established pursuant to Act 133, SLH 2025, to establish and appropriate funds for a working group within the state building code council to develop proposals for an off-site construction program.

Local 675 understands the need for housing its local residents and supports efforts to identify and develop programs that provide such housing at affordable levels while preserving and developing local workforce opportunities, promoting local economic sustainability and growth, and protecting the health, safety, and welfare of the public.

Local 675 respectfully request your consideration of the following amendments to Section 2 of HB2606 that would allow for input from the sector of labor that stand to be most impacted by this measure, as well as other amendments which ensure that while we explore alternative housing solutions, we maintain the health, safety, and welfare of the public.

Mahalo for the opportunity to testify on this measure.

Proposed Amendments to HB2606

SECTION 2. (a) There is established within the state building code council an off-site construction working group to develop proposals for an off-site construction program.

(b) The off-site construction program shall:

(1) Be limited to off-site construction components and designs for single-family homes less than one thousand two hundred square feet that are constructed, assembled, inspected, or installed in the state of Hawai`i in accordance with chapters 107, 444, and 448E;

(2) Centralize manufacturer certification and product quality assurance;

(3) Curate a library of pre-approved components and designs;

(4) Define clear regulations for use and inspection;

(5) Establish a process in which a state or county-level official entity would certify factories, and inspect standardized models for compliance with state building codes and local conditions, while county agencies would be responsible for site-specific review related to foundations, utilities, installation, and hazard exposure;

(6) Develop pre-approved plan sets for common housing types, such as small multi-unit and single-family infill development;

(7) Include funding to support the off-site construction labor force in the State;

(8) Include policies to strengthen construction-material supply chains and reduce dependence on import pathways; and

(9) Be explicitly integrated with zoning, wastewater, and infrastructure planning so that modular units are directed to sites that can support them.

(c) The working group shall consist of the following members:

(1) The chair of the state building code council, or the chair's designee, who shall serve as chair;

(2) The director of the office of planning and sustainable development, or the director's designee;

(3) One member of the senate, to be appointed by the president of the senate; and

(4) One member of the house of representatives, to be appointed by the speaker of the house of representatives.

(d) The chair of the working group shall invite the following individuals to serve as members of the working group:

(1) Six county building code officials, or their designees, as designated by the chair;

(2) Two representatives with architectural experience;

(3) Two representatives with engineering experience;

(4) Five representatives from construction labor organizations, provided that no less than two representatives shall be from construction labor organizations governed by Chapter 448E, Hawai`i Revised Statutes;

(5) Three representatives from consumer advocacy organizations;

(6) Two representatives from non-profit organizations focused on housing;

(7) Three representatives from the financial services industry; and

(8) Community stakeholders as designated by the chair.

(e) The working group shall submit a report of its findings and recommendations, including any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2027.

(f) The working group shall be dissolved on June 30, 2027.

February 19, 2026

TO: Chair Hashem and Members of the Committee on Water and Land
RE: HB 2606 HD1, Relating to Off-Site Construction

Dear Chair Hashem and Committee Members,

Housing Hawai'i's Future is a nonprofit dedicated to creating opportunities for Hawai'i's next generation by ending the workforce housing shortage.

We support House Bill 2606 HD1. This measure proposes the establishment of a working group within the State Building Code Council to develop proposals for an off-site construction program.

By convening a dedicated working group, HB2606 HD1 creates a forum for stakeholders to identify regulatory barriers and recommend standards that facilitate the adoption of off-site construction in Hawai'i. This aligns with our mission to promote policies that expand housing supply and increase affordability for residents.

Amidst our chronic housing shortage, Hawai'i cannot afford to ignore any housing option. Hawai'i presently enjoys the lowest rate of homeownership in the United States among young adults, specifically those under the age of 35. We need to expand homeownership opportunities for our young residents, especially those members of our workforce who want to stay in Hawai'i for decades to come.

We are grateful for your careful consideration of House Bill 2606 HD1.

Thank you,



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