

JOSH GREEN, M.D.
GOVERNOR



SIERRA WHITESIDE
CHAIRPERSON

SYLVIA LUKE
LIEUTENANT GOVERNOR

DAINTRY BARTOLDUS
EXECUTIVE ADMINISTRATOR

STATE OF HAWAII
KA MOKU'ĀINA O HAWAII
STATE COUNCIL ON DEVELOPMENTAL DISABILITIES
'A'UNIKE MOKU'ĀPUNI NO KA NĀ KĀWAI KULA
PRINCESS VICTORIA KAMĀMALU BUILDING
1010 RICHARDS STREET, Room 122
HONOLULU, HAWAII 96813
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543

March 20, 2026

The Honorable Representative Luke A. Evslin, Chair
House Committee on Housing
The Thirty-Third Legislature
State Capitol
State of Hawai'i
Honolulu, Hawai'i 96813

Dear Representative Evslin and Committee Members:

SUBJECT: SB2544 SD 2 Relating to Housing

The Hawai'i State Council on Developmental Disabilities (DDC) submits this testimony in **SUPPORT of SB2544 SD 2**, which establishes a 5-year Hawai'i Builds Pilot Program within the Hawai'i Housing Finance and Development Corporation. Authorizes the Corporation to deploy moneys from the dwelling unit revolving fund for predevelopment activities or as active construction equity. Requires 50% of housing units made available under pilot program projects for households having incomes between 60% and 140% of the area median income. Mandates interagency coordination and expedited review for projects to facilitate timely delivery of projects. Requires annual reports to the Legislature. Sunsets 6/30/2031.

The Hawai'i State Council on Developmental Disabilities notes that while SB 2544 SD2 is not a disability-specific measure, it may intersect with the housing needs of people with intellectual and developmental disabilities (I/DD) in several important ways. Many people with I/DD work, live independently or with family, and fall within the 60%–140% area median income range targeted by the Hawai'i Builds Pilot Program. These households are often ineligible for deeply subsidized housing yet face significant barriers competing in Hawai'i's private housing market.

The Council also recognizes that increasing housing supply for moderate-income households can have broader market effects. In a constrained housing environment, middle-income households often compete for older or lower-cost units that are also relied upon by people with disabilities. Expanding housing options at the middle of the market may help relieve downward pressure, reduce competition for naturally affordable units, and improve housing stability for people with I/DD.

Finally, whether these benefits reach people with disabilities will depend on implementation. Accessibility, visibility, and proximity to transportation, services, and employment will be critical to ensuring that new housing is usable by people with disabilities.

Without intentional attention to these factors, increased housing production may bypass people with disabilities altogether.

The Hawai'i State Council on Developmental Disabilities **supports SB2544 SD2.**

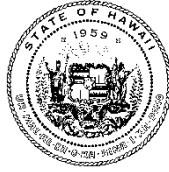
Thank you for the opportunity to submit testimony.

Sincerely,



Daintry Bartoldus
Executive Administrator

JOSH B. GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



BONNIE KAHAKUI
ADMINISTRATOR

DAYNA OMIYA
ASSISTANT ADMINISTRATOR

STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I
STATE PROCUREMENT OFFICE

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TESTIMONY
OF
BONNIE KAHAKUI, ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE HOUSE COMMITTEE
ON
HOUSING

March 20, 2026, 9:00 a.m.

SENATE BILL 2544, SD2
RELATING TO HOUSING

Chair Evslyn, Vice Chair Miyake, and members of the committee, thank you for the opportunity to submit testimony on Senate Bill 2544, SD2. The State Procurement Office (SPO) supports the intent of the bill to address the shortage of affordable housing; however, objects to the exemption from Chapter 103D, Hawaii Revised Statutes (HRS), for the procurement of professional services, construction, and development related to the five-year Hawaii builds pilot program.

Comments

The SPO provides comments on SECTION 2, Page 6, lines 14-17, set forth below:

"(j) Contracts for professional services, construction, and development related to Hawaii builds pilot projects shall be subject to approval by the corporation's board of directors and shall be exempt from chapter 103D, Hawaii Revised Statutes."

The bill does not provide justification for exempting the five-year Hawai'i Builds pilot program from Chapter 103D, HRS, the Hawai'i Public Procurement Code. Furthermore, the bill does not establish a procurement process that would govern the selection of professional services, construction, and development contracts once exempted from Chapter 103D, HRS. In the absence of an established statutory or regulatory framework, it is unclear how vendors would be identified, evaluated, or selected; how fairness and competition would be ensured; or what

standards would apply to pricing, contract terms, and performance. The SPO respectfully questions what safeguards would be in place to protect the State's interests and the appropriate use of public funds.

Recommendation

The SPO recommends the following revision to SECTION 2, Page 6, lines 14-17:

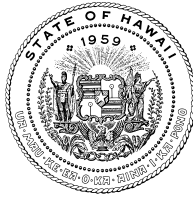
"(j) Contracts for professional services, construction, and development related to Hawaii builds pilot projects shall be subject to approval by the corporation's board of directors and shall be ~~exempt from~~ subject to chapter 103D, Hawaii Revised Statutes."

Exemptions to the Code mean that procurements made with taxpayer monies will not have the same oversight, accountability and transparency requirements mandated by those procurements processes provided in the code. It means that there is no requirement for due diligence, proper planning, or consideration of protections for the state in contract terms and conditions, nor are there any set requirements to conduct cost and price analysis and market research or post-award contract management. As such, Agencies can choose whether to compete any procurement or go directly to one contractor.

Thank you for the opportunity to comment on this measure.

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



DEAN MINAKAMI
EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM

HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

677 QUEEN STREET, SUITE 300

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FAX: (808) 587-0600

Statement of

DEAN MINAKAMI

Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON HOUSING

March 20, 2026 at 9:00 a.m.

State Capitol, Room 430

In consideration of

SENATE BILL 2544 SENATE DRAFT 2 RELATING TO HOUSING.

Chair Evslin, Vice Chair Miyake, and members of the Committee.

HHFDC **supports** Senate Bill 2544 Senate Draft 2, which establishes the Hawaii Builds Pilot Program within HHFDC.

This bill takes an innovative approach by empowering HHFDC to act as a proactive developer, leveraging its Dwelling Unit Revolving Fund (DURF) for predevelopment and construction equity, and streamlining interagency coordination and permitting.

The time required for agency review and to obtain various development approvals is lengthy, often requiring more than three years, and can render affordable housing projects infeasible. Other jurisdictions have successfully used similar programs to streamline approvals and expedite housing delivery.

Thank you for the opportunity to testify.



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

**HEARING BEFORE THE HOUSE COMMITTEE ON HOUSING
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 430
FRIDAY, MARCH 20, 2026 AT 9:00 A.M.**

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

SUPPORT SB2544 SD2 RELATING TO HOUSING

Housing has been one of the Maui Chamber's top priorities for years, given our ongoing housing crisis. The Maui Chamber of Commerce supports SB2544 SD2 that proposes a targeted pilot program within the Hawai'i Housing Finance and Development Corporation (HHFDC) to accelerate the delivery of "missing middle" housing, a segment that is often underserved but critical for local families and essential workers.

By requiring that at least half of the pilot program's units serve households earning between 60% and 140% of area median income, SB2544 directly targets the workforce demographic most affected by rising rents and limited housing supply. This approach is consistent with best practices in other places that have successfully increased housing stock for moderate-income earners.

We also support the bill's provisions for interagency coordination and expedited permit reviews, which address one of the most significant barriers to housing production: regulatory delays. Streamlining these processes can reduce costs and timelines, making it more feasible for developers to deliver affordable and workforce housing at scale. Annual reporting requirements will help ensure transparency and allow for timely adjustments based on program outcomes.

To maximize the effectiveness of SB2544, we encourage ongoing stakeholder engagement throughout the pilot period to identify and address any unforeseen challenges. These steps will help ensure that the program delivers on its promise to expand housing opportunities for Hawai'i's residents in a timely and cost-effective manner.

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.



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

Testimony in Opposition to SB 2544

Chair Evslin, Vice Chair Miyake, and Committee Members:

UNITE HERE Local 5 represents 10,000 working people in the hotel, food service and health care industries across Hawaii.

SB 2544 has several problems. We do not support it in its current form, for several reasons:

- Speeding up permitting processes should not be done at the cost of taking away counties' discretionary control, or meaningful public input.
- These projects should not be exempt from public procurement processes either. Competitive bidding exemptions make the system vulnerable to corruption.
- We are concerned that applying a loosened standard to projects that qualify for HRS 201H exemptions could result in significant benefits to developers for projects that are not truly affordable, or that have significant non-affordable components.
- It is important to ensure the safety of developments for residents and for the health of our communities. This is the reason why many regulations exist. Cutting those regulations from the process is worrisome.
- Rather than marking the success of the program based on the number of housing units delivered, it should be measured by the number of people living in those units in each median income category.

It should be possible to improve the availability of affordable housing without sacrificing county discretion, public input, regulatory oversight, etc.

Thank you.



OFFICE OF HAWAIIAN AFFAIRS

‘Ōlelo Hō‘ike ‘Aha Kau Kānāwai

**TESTIMONY PROVIDING COMMENTS ON SENATE BILL 2544 SD2
RELATING TO HOUSING**

Ke Kōmike Hale o ke Kuleana Hale Noho
(House Committee on Housing)
Ke Kapitala‘o Hawai‘i
(Hawai‘i State Capitol)

Malaki 20, 2026

9:00 AM

Lumi 430

Aloha e Chair Evslin, Vice Chair Miyake, and Members of the Committee on Housing:

The Office of Hawaiian Affairs (OHA) provides **COMMENTS** on **SB2544 SD2**, which proposes to establish a pilot program modeled after the BUILD initiative in British Columbia, Canada, intended to expedite housing development through coordinated interagency review and streamlined permitting.

While OHA recognizes the urgent need to increase housing supply in Hawai‘i, we urge caution in adopting development frameworks designed for large continental jurisdictions with vastly different land bases, ecological constraints, and regulatory histories.

British Columbia encompasses expansive land areas and resource buffers that differ fundamentally from Hawai‘i’s island geography. **Hawai‘i’s finite land base, fragile ecosystems, limited freshwater resources, and dense cultural landscape necessitate a more deliberate regulatory structure.** Our development standards have evolved to reflect these realities and to ensure the long-term viability of natural and cultural resources. As articulated in Article XII, Section 1 of the Hawai‘i Constitution, public trust resources must be managed for the benefit of present and future generations. Accordingly, while housing production is critical, development models imported from continental jurisdictions should be carefully evaluated and adapted to Hawai‘i’s unique constitutional and environmental framework.

OHA recognizes the urgent need for housing. However, the Simplifying Permitting for Enhanced Economic Development (SPEED) Task Force recently

emphasized that expediting housing development cannot be achieved simply by circumventing regulations.¹

With respect to the bill's specific provisions, **OHA recommends removal of line 18, page 6, to line 2, page 7, which would require the State Historic Preservation Division (SHPD) to complete its review within sixty days of receipt.** Hawai'i Revised Statutes (HRS) § 6E-8 already contains a structured review framework, including a 90-day period and an automatic concurrence provision if SHPD does not respond within that timeframe. That statutory timeline reflects a balanced legislative judgment regarding SHPD's review capacity and the complexity of historic preservation determinations. Imposing a shorter, project-specific sixty-day deadline risks undermining thorough cultural resource review and may create procedural inconsistencies within Chapter 6E. Allowing the existing § 6E-8 process to govern would provide predictability while maintaining appropriate safeguards.

OHA further notes that subsection (l), section 2, establishes a 60-day timeline for Department of Health (DOH) review. While we defer to DOH regarding the adequacy of this timeframe, we share concern that compressed review deadlines in matters affecting public health, wastewater, drinking water, and environmental quality could result in insufficient analysis and unintended health risks. Expedited processes should not compromise core health and safety protections.

Finally, **OHA recommends removal of line 16, page 7, to line 2, page 8, beginning with "Notwithstanding," which would authorize exemptions from county ordinances or rules without approval of the county legislative body.** We believe the existing framework under HRS § 201H-38 already provides sufficient mechanisms for exemptions. Retaining county legislative body approval ensures transparency, preserves public input, and maintains local oversight over land use decisions that directly affect communities. Eliminating this check risks reducing accountability in matters with significant local impact.

In summary, OHA acknowledges the seriousness of Hawai'i's housing challenges and supports thoughtful reforms that responsibly increase supply. However, we urge the Legislature to exercise caution when adopting development models designed for

¹ See Final Report of the Permitted Interaction Groups for Chapter 6E/Historic Preservation, Individual Wastewater Systems, and Building Permits, SPEED Task Force, p. 6-7 (Dec. 2025). The SPEED Task Force was established by Act 133 (2025) to identify challenges and measures needed to expedite development permit processes.

continental jurisdictions and to preserve existing safeguards that reflect Hawai'i's constitutional obligations, limited resources, and unique cultural landscape.

Mahalo nui for the opportunity to testify on this critical issue. We look forward to the careful consideration of our **COMMENTS on SB2544 SD2**.