

JAN 19 2018

A BILL FOR AN ACT

RELATING TO SCHOOLS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that, pursuant to Act
2 246, Session Laws of Hawaii 2005, the school impact fee working
3 group was tasked with analyzing salient issues, including "fair
4 share" practices and enrollment projections by the department of
5 education, alternative funding mechanisms and best practices
6 utilized by other jurisdictions nationwide, and different
7 infrastructure needs imposed by different types of development,
8 including infill. The working group was also asked to submit
9 proposed legislation or procedures for implementing its
10 recommendations on determining school impact fees within
11 identified school impact districts.

12 In its report to the legislature entitled Hawaii School
13 Impact Fee Working Group Report (March 2007), one of the working
14 group recommendations was that the department of education
15 determine appropriate student generation rates for each growth
16 area. The localized student generation rates would then by
17 multiplied by acres per student ratios from the statewide



1 analysis to determine the land dedication requirement. Impact
2 fees would be the product of the localized student generation
3 rates and the statewide construction costs per student less the
4 statewide credit.

5 Subsequently, Act 245, Session Laws of Hawaii 2007 (Act
6 245), codified the working group's recommendation for
7 implementing a new method for financing, in part, new or
8 expanding existing department of education educational
9 facilities in partnership with developers of new residential
10 developments. Act 245 reflected a general methodology and
11 approach for identifying need areas and calculating appropriate
12 school impact fees for new residential developments. It also
13 recognized the need for more detailed planning for
14 implementation of Act 245 by the department of education, and
15 how the methodology was applied in new residential projects
16 involving rezoned properties or parcels, current zoned parcels
17 with or without buildings, and redevelopment projects.

18 The legislature now finds that the current state-wide
19 housing crisis is having a negative impact on the quality of
20 life for Hawaii's residents. The overall lack of supply of
21 housing at all price points is causing residents to move out of



1 the State into more affordable markets. It is also contributing
2 to the increased number of homeless families and individuals
3 across the State.

4 Faced with a pressing need to increase the supply of
5 housing, especially at the workforce and affordable price points
6 (one hundred forty per cent and below average median income),
7 there is a need to reconsider some of the non-public health and
8 safety exactions/fees being assessed on housing projects.

9 Since the adoption of Act 245 the department of education
10 has been implementing school impact fees by designating high
11 growth areas which typically require new or expanded school
12 facilities. However, the need for new schools must also be
13 balanced with the impact on housing affordability in the State.

14 From a public policy standpoint, shifting the cost of new
15 public infrastructure to new home buyers ultimately results in
16 less people being able to afford to purchase a new home.

17 The legislature finds that given the current housing crisis
18 in Hawaii, there is a compelling public interest to repeal the
19 state education impact fee law to keep housing affordable for
20 the residents of Hawaii.



1 As such, the purpose of this Act is to repeal the law
2 relating to school impact fees.

3 SECTION 2. Chapter 302A, part VI, subpart B, Hawaii
4 Revised Statutes, is repealed.

5 SECTION 3. Section 46-142.5, Hawaii Revised Statutes, is
6 repealed.

7 ~~["§46-142.5 School impact districts; new building permit~~
8 ~~requirements.] No new residential development in a designated~~
9 ~~school impact district under chapter 302A shall be issued a~~
10 ~~residential building permit or condominium property regime~~
11 ~~building permit until the department of education provides~~
12 ~~written confirmation that the permit applicant has fulfilled its~~
13 ~~school impact fee requirements. This section shall only apply~~
14 ~~to new dwelling units.]"~~

15 SECTION 4. The repeal of chapter 302A, part VI, subpart B,
16 Hawaii Revised Statutes, and section 46-142.5, Hawaii Revised
17 Statutes, in sections 2 and 3 of this Act shall not apply to
18 projects that have been or are currently subject to those
19 provisions, but shall apply to all projects initiated after the
20 effective date of this Act. All "greenfield" projects (not
21 urban infill projects) initiated after the effective date of



1 this Act shall be subject to the conditions imposed by the state
2 land use commission through their "fair share" contribution
3 requiring lands for new schools in large master planned
4 communities. The "fair share" contribution shall be based on
5 the historical average acres for new elementary (K-5), middle
6 (6-8), and high (9-12) schools.

7 SECTION 5. Statutory material to be repealed is bracketed
8 and stricken.

9 SECTION 6. This Act shall take effect on July 1, 2018.

10

INTRODUCED BY:

Breanne Harris

Will Eyo

SC Exchange



S.B. NO. 2310

Report Title:

Department of Education; School Impact Fees; Repeal

Description:

Repeals chapter 302A, part VI, subpart B, HRS, and section 46-142.5, HRS, relating to school impact fees.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

