



GOV. MSG. NO. 1255

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 1, 2021

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirty First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on July 1, 2021, the following bill was signed into law:

HB1149 HD1 SD2 CD1

RELATING TO LAND USE
ACT 153 (21)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

Approved by the Governor

on JUL 01 2021

HOUSE OF REPRESENTATIVES
THIRTY-FIRST LEGISLATURE, 2021
STATE OF HAWAII

ORIGINAL

ACT 153

H.B. NO. 1149
H.D. 1
S.D. 2
C.D. 1

A BILL FOR AN ACT

RELATING TO LAND USE.

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

1 SECTION 1. The legislature finds that achieving an
2 abundant and sustainable future for Hawaii will require
3 re-envisioning the State's institutional framework to better
4 integrate sustainability principles into the organizational
5 structure of state government, especially in planning, land use,
6 environmental, and economic development programs.

7 Improved collaboration of state agencies is necessary to
8 achieve the State's sustainability goals and clean energy
9 benchmarks. The legislature further finds that improved
10 integration of land use planning and environmental policy
11 decision-making will enhance state government agencies' ability
12 to implement climate change adaptation measures to address sea
13 level rise and more frequent and intense storm events, and
14 climate change mitigation measures such as increasing clean
15 energy production and reducing greenhouse gas emissions.

16 Therefore, the legislature finds that it is in the public
17 interest to consolidate various government land use functions of



1 different agencies into a new structure under an office of
2 planning and sustainable development in an effort to place all
3 key decision-making and regulatory responsibility surrounding
4 land use planning and permitting under one structure.

5 The purpose of this Act is to integrate the land use
6 commission within a modified office of planning, to be renamed
7 the office of planning and sustainable development. The
8 legislature notes that a separate Act will integrate the office
9 of environmental quality control within the office of planning
10 and sustainable development. These two Acts will improve the
11 coordination of these related functions so state government can
12 work more efficiently to achieve the State's long-term
13 sustainability and climate change goals for a more abundant
14 future for the people of Hawaii.

15 SECTION 2. Section 26-18, Hawaii Revised Statutes, is
16 amended by amending subsection (b) to read as follows:

17 "(b) The following are placed in the department of
18 business, economic development, and tourism for administrative
19 purposes as defined by section 26-35: Hawaii community
20 development authority, Hawaii housing finance and development
21 corporation, Hawaii technology development corporation, [~~land~~



1 ~~use commission,~~] natural energy laboratory of Hawaii authority,
2 and any other boards and commissions as shall be provided by
3 law."

4 SECTION 3. Section 201-2, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "**§201-2 General objective, functions, and duties of**
7 **department.** [†](a) [†] It shall be the objective of the
8 department of business, economic development, and tourism to
9 make broad policy determinations with respect to economic
10 development in the State and to stimulate through research and
11 demonstration projects those industrial and economic development
12 efforts that offer the most immediate promise of expanding the
13 economy of the State. The department shall endeavor to gain an
14 understanding of those functions and activities of other
15 governmental agencies and of private agencies that relate to the
16 field of economic development. It shall, at all times,
17 encourage initiative and creative thinking in harmony with the
18 objectives of the department.

19 [†](b) [†] The department of business, economic
20 development, and tourism shall have [~~sole~~] jurisdiction over
21 [~~the land use commission under chapter 205,~~] state planning



1 under chapter 225M[7] and the Hawaii State Planning Act under
2 chapter 226. Due to the inherently interdependent functions of
3 development, planning, and land use, these functions shall not
4 be transferred by executive order, directive, or memorandum, to
5 any other department, nor shall these functions be subject to
6 review or approval by any other department."

7 SECTION 4. Section 205-1, Hawaii Revised Statutes, is
8 amended to read as follows:

9 "**§205-1 Establishment of the commission.** [†] (a) [†] There
10 shall be a state land use commission, hereinafter called the
11 commission. The commission shall consist of nine members who
12 shall hold no other public office and shall be appointed in the
13 manner and serve for the term set forth in section 26-34.
14 One member shall be appointed from each of the counties and the
15 remainder shall be appointed at large; provided that one member
16 shall have substantial experience or expertise in traditional
17 Hawaiian land usage and knowledge of cultural land practices.
18 The commission shall elect its chairperson from one of its
19 members. The members shall receive no compensation for their
20 services on the commission, but shall be reimbursed for actual
21 expenses incurred in the performance of their duties.



1 Six affirmative votes shall be necessary for any boundary
2 amendment.

3 [+] (b) [+] The commission shall be a part of the
4 [~~department of business, economic development, and tourism~~]
5 office of planning and sustainable development for
6 [~~administration~~] administrative purposes [~~, as provided for in~~
7 ~~section 26-35~~].

8 [+] (c) [+] The commission may engage employees necessary to
9 perform its duties, including administrative personnel and an
10 executive officer. The executive officer shall be appointed by
11 the commission and the executive officer's position shall be
12 exempt from civil service. Departments of the state government
13 shall make available to the commission such data, facilities,
14 and personnel as are necessary for it to perform its duties.
15 The commission may receive and utilize gifts and any funds from
16 the federal or other governmental agencies. It shall adopt
17 rules guiding its conduct, maintain a record of its activities
18 and accomplishments, and make recommendations to the governor
19 and to the legislature through the governor.

20 (d) Notwithstanding any law to the contrary, the
21 commission shall be exempt from section 26-35 with the exception



1 of section 26-35(a) (2), (3), (7), (8), and section 26-35(b)
2 shall apply.

3 (e) The land use commission shall maintain its
4 independence on matters coming before it to which the office of
5 planning and sustainable development is a party by establishing
6 and adhering to the process required by section 225M-2(d)."

7 SECTION 5. Section 205-18, Hawaii Revised Statutes, is
8 amended to read as follows:

9 "~~§205-18 [Periodic review]~~ Review of districts. The
10 office of planning [~~shall~~] and sustainable development may
11 undertake a review of the classification and districting of all
12 lands in the State [~~, within five years from December 31, 1985,~~
13 ~~and every fifth year thereafter]~~. The office, in its
14 [~~five-year~~] boundary review, shall focus its efforts on
15 reviewing the Hawaii state plan, county general plans, and
16 county development and community plans. Upon completion of the
17 [~~five-year~~] boundary review, the office shall submit a report of
18 the findings to the commission [~~-~~], governor, legislature, and
19 appropriate state and county agencies. The office may initiate
20 state land use boundary amendments which it deems appropriate to
21 conform to these plans. The office may seek the assistance of



1 appropriate state and county agencies and may employ consultants
2 and undertake studies in making this review."

3 SECTION 6. Section 225M-1, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "**§225M-1 Purpose.** The purpose of this chapter is to
6 establish an office of planning and sustainable development to
7 assist the governor [~~and~~]; the director of business, economic
8 development, and tourism; the legislature; and state and county
9 agencies in maintaining an overall framework to guide the
10 development of the State through a continuous process of
11 comprehensive, long-range, and strategic planning to meet the
12 physical, economic, and social needs of Hawaii's people, and
13 provide for the wise use of Hawaii's resources in a coordinated,
14 efficient, and economical manner, including the conservation of
15 those natural, environmental, recreational, scenic, historic,
16 and other limited and irreplaceable resources which are required
17 for future generations.

18 The establishment of an office of planning and sustainable
19 development in the department of business, economic development,
20 and tourism, for administrative purposes, is intended to:



- 1 (1) Fix responsibility and accountability to successfully
- 2 carry out statewide planning programs, policies, and
- 3 priorities;
- 4 (2) Improve the efficiency and effectiveness of the
- 5 operations of the executive branch; and
- 6 (3) Ensure comprehensive planning and coordination to
- 7 enhance the quality of life of the people of Hawaii."

8 SECTION 7. Section 225M-2, Hawaii Revised Statutes, is
 9 amended to read as follows:

10 "§225M-2 Office of planning[7] and sustainable
 11 development; establishment; responsibilities. (a) There is
 12 established the office of planning and sustainable development
 13 within the department of business, economic development, and
 14 tourism [~~an office of planning.~~] for administrative purposes
 15 only. The head of the office shall be known as the director of
 16 the office of planning[7] and sustainable development and
 17 referred to in this chapter as director. The director shall
 18 have: [~~training~~]

- 19 (1) Training in the field of urban or regional planning,
- 20 public administration, or other related fields;
- 21 [~~experience~~]



1 (2) Experience in programs or services related to
2 governmental planning; and [~~experience~~]

3 (3) Experience in a supervisory, consultative, or
4 administrative capacity.

5 The director shall be nominated by the governor and, by and with
6 the advice and consent of the senate, appointed by the governor
7 without regard to chapter 76, and shall be compensated at a
8 salary level set by the governor. The director shall be
9 included in any benefit program generally applicable to the
10 officers and employees of the State. The director [~~shall~~] may
11 retain [~~such~~] staff as may be necessary for the purposes of this
12 chapter, in conformity with chapter 76. The director shall
13 report to the director of business, economic development, and
14 tourism and shall not be required to report directly to any
15 other principal executive department. The director may also
16 employ staff without regard to chapter 76, as authorized in this
17 chapter and as may be necessary.

18 (b) The office of planning and sustainable development
19 shall gather, analyze, and provide information to the governor,
20 the legislature, and state and county agencies to assist in the
21 overall analysis and formulation of state policies and



1 strategies to provide central direction and cohesion in the
2 allocation of resources and effectuation of state activities and
3 programs and effectively address current or emerging issues and
4 opportunities. More specifically, the office shall engage in
5 the following activities:

6 (1) State comprehensive planning and program coordination.
7 Formulating and articulating comprehensive statewide
8 goals, objectives, policies, and priorities, and
9 coordinating their implementation through the
10 statewide planning system established in part II of
11 chapter 226;

12 (2) Strategic planning. Identifying and analyzing
13 significant issues, problems, and opportunities
14 confronting the State, and formulating strategies and
15 alternative courses of action in response to
16 identified problems and opportunities by:

17 (A) Providing in-depth policy research, analysis, and
18 recommendations on existing or potential areas of
19 critical state concern;



- 1 (B) Examining and evaluating the effectiveness of
- 2 state programs in implementing state policies and
- 3 priorities;
- 4 (C) Monitoring [~~through surveys, environmental~~
- 5 ~~scanning, and other techniques-current~~] current
- 6 social, economic, and physical conditions and
- 7 trends[+] through surveys, environmental
- 8 scanning, and other techniques; and
- 9 (D) Developing, in collaboration with affected public
- 10 or private agencies and organizations,
- 11 implementation plans and schedules and, where
- 12 appropriate, assisting in the mobilization of
- 13 resources to meet identified needs;
- 14 (3) Planning coordination and cooperation. Facilitating
- 15 coordinated and cooperative planning and policy
- 16 development and implementation activities among state
- 17 agencies and between the state, county, and federal
- 18 governments, by:
- 19 (A) Reviewing, assessing, and coordinating, as
- 20 necessary, major plans, programs, projects, and



1 regulatory activities existing or proposed by
2 state and county agencies;

3 (B) Formulating mechanisms to simplify, streamline,
4 or coordinate interagency development and
5 regulatory processes; and

6 (C) Recognizing the presence of federal defense and
7 security forces and agencies in the State as
8 important state concerns;

9 (4) Statewide planning and geographic information system.
10 Collecting, integrating, analyzing, maintaining, and
11 disseminating various forms of data and information,
12 including geospatial data and information, to further
13 effective state planning, policy analysis and
14 development, and delivery of government services by:

15 (A) Collecting, assembling, organizing, evaluating,
16 and classifying existing geospatial and
17 non-geospatial data and performing necessary
18 basic research, conversions, and integration to
19 provide a common database for governmental
20 planning and geospatial analyses by state
21 agencies;



1 (B) Planning, coordinating, and maintaining a
2 comprehensive, shared statewide planning and
3 geographic information system and associated
4 geospatial database. The office shall be the
5 lead agency responsible for coordinating the
6 maintenance of the multi-agency, statewide
7 planning and geographic information system and
8 coordinating, collecting, integrating, and
9 disseminating geospatial data sets that are used
10 to support a variety of state agency applications
11 and other spatial data analyses to enhance
12 decision-making. The office shall promote and
13 encourage free and open data sharing among and
14 between all government agencies. To ensure the
15 maintenance of a comprehensive, accurate,
16 up-to-date geospatial data resource that can be
17 drawn upon for decision-making related to
18 essential public policy issues such as land use
19 planning, resource management, homeland security,
20 and the overall health, safety, and well-being of
21 Hawaii's citizens, and to avoid redundant data



1 development efforts, state agencies shall provide
2 to the shared system either their respective
3 geospatial databases or, at a minimum, especially
4 in cases of secure or confidential data sets that
5 cannot be shared or must be restricted, metadata
6 describing existing geospatial data. In cases
7 where agencies provide restricted data, the
8 office of planning and sustainable development
9 shall ensure the security of that data; and

10 (C) Maintaining a centralized depository of state and
11 national planning references;

12 (5) Land use planning. Developing and presenting the
13 position of the State in all boundary change petitions
14 and proceedings before the land use commission, and
15 assisting state agencies in the development and
16 submittal of petitions for land use district boundary
17 amendments, and conducting [~~periodic~~] reviews of the
18 classification and districting of all lands in the
19 State, as specified in chapter 205;

20 (6) Coastal and ocean policy management, and sea level
21 rise adaptation coordination. Carrying out the lead



1 agency responsibilities for the Hawaii coastal zone
2 management program, as specified in chapter 205A.

3 Also:

4 (A) Developing and maintaining an ocean and coastal
5 resources information, planning, and management
6 system;

7 (B) Further developing and coordinating
8 implementation of the ocean resources management
9 plan; and

10 (C) Formulating ocean policies with respect to the
11 exclusive economic zone, coral reefs, and
12 national marine sanctuaries;

13 (7) Regional planning and studies. Conducting plans and
14 studies to determine:

15 (A) The capability of various regions within the
16 State to support projected increases in both
17 resident populations and visitors;

18 (B) The potential physical, social, economic, and
19 environmental impact on these regions resulting
20 from increases in both resident populations and
21 visitors;



1 (C) The maximum annual visitor carrying capacity for
2 the State by region, county, and island; and

3 (D) The appropriate guidance and management of
4 selected regions and areas of statewide critical
5 concern.

6 The studies in subparagraphs (A) to (C) shall be
7 conducted at appropriate intervals, but not less than
8 once every five years;

9 (8) Regional, national, and international planning.
10 Participating in and ensuring that state plans,
11 policies, and objectives are consistent, to the extent
12 practicable, with regional, national, and
13 international planning efforts;

14 (9) Climate adaptation and sustainability planning and
15 coordination. Conducting plans and studies and
16 preparing reports as follows:

17 (A) Develop, monitor, and evaluate strategic climate
18 adaptation plans and actionable policy
19 recommendations for the State and counties
20 addressing expected statewide climate change



1 impacts identified under chapter 225P and
2 sections 226-108 and 226-109; and
3 (B) Provide planning and policy guidance and
4 assistance to state and county agencies regarding
5 climate change and sustainability; and
6 (10) Smart growth and transit-oriented development. Acting
7 as the lead agency to coordinate and advance smart
8 growth and transit-oriented development planning
9 within the State as follows:
10 (A) Identify transit-oriented development
11 opportunities shared between state and county
12 agencies, including relevant initiatives such as
13 the department of health's healthy Hawaii
14 initiative and the Hawaii clean energy
15 initiative;
16 (B) Refine the definition of "transit-oriented
17 development" in the context of Hawaii, while
18 recognizing the potential for smart growth
19 development patterns in all locations;
20 (C) Clarify state goals for transit-oriented
21 development and smart growth that support the



1 principles of the Hawaii State Planning Act by
2 preserving non-urbanized land, improving worker
3 access to jobs, and reducing fuel consumption;

4 (D) Target transit-oriented development areas for
5 significant increase in affordable housing and
6 rental units;

7 (E) Conduct outreach to state agencies to help
8 educate state employees about the ways they can
9 support and benefit from transit-oriented
10 development and the State's smart growth goals;

11 (F) Publicize coordinated state efforts that support
12 smart growth, walkable neighborhoods, and
13 transit-oriented development;

14 (G) Review state land use decision-making processes
15 to identify ways to make transit-oriented
16 development a higher priority and facilitate
17 better and more proactive leadership in creating
18 walkable communities and employment districts,
19 even if transit will only be provided at a later
20 date; and



1 (H) Approve all state agencies' development plans for
 2 parcels along the rail transit corridor. For the
 3 purposes of this subparagraph, "development
 4 plans" means conceptual land use plans that
 5 identify the location and planned uses within a
 6 defined area.

7 (c) The land use commission's executive officer, chief
 8 clerk, and employees shall be administratively attached to the
 9 office, and section 205-1(c) shall apply.

10 (d) The office of planning and sustainable development and
 11 the land use commission shall establish procedures and
 12 safeguards to avoid actual or perceived conflicts of interest
 13 that may otherwise arise as a result of any proceedings before
 14 the land use commission to which the office of planning and
 15 sustainable development is a party, including but not limited to
 16 petitions for amendments to district boundaries involving land
 17 areas greater than fifteen acres pursuant to section 205-4, and
 18 contested case proceedings pursuant to section 205-19. These
 19 procedures and safeguards shall include a reporting structure
 20 for the land use commission and its executive director and



1 employees that is separate from the reporting structure for the
2 land use division of the office."

3 SECTION 8. Sections 4E-1, 6K-6, 195-6, 200D-2, 201-102,
4 205-4, 205-6, 205-47, 205-48, 205-49, 205-50, 205A-1, 214-4,
5 223-2, 223-3, 225M-3, 225M-4, 225M-8, 225P-3, 225P-4, 225P-6,
6 226-2, 226-53, 226-56, 226-59, 226-64, 226-65, and 279A-4,
7 Hawaii Revised Statutes, are amended by substituting the phrase
8 "office of planning and sustainable development", or similar
9 term, wherever the phrase "office of planning", or similar term,
10 appears, as the context requires.

11 SECTION 9. The revisor of statutes shall substitute the
12 phrase "office of planning and sustainable development", or
13 similar term, wherever the phrase "office of planning", or
14 similar term, appears, as the context requires, in any Acts of
15 the Session Laws of Hawaii 2021.

16 SECTION 10. This Act does not affect rights and duties
17 that matured, penalties that were incurred, and proceedings that
18 were begun before its effective date.



1 SECTION 11. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 12. This Act shall take effect on July 1, 2021.

APPROVED this 01 day of JUL , 2021



GOVERNOR OF THE STATE OF HAWAII



HB No. 1149, HD 1, SD 2, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 27, 2021
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-First Legislature of the State of Hawaii, Regular Session of 2021.



Scott K. Saiki
Speaker
House of Representatives



Brian L. Takeshita
Chief Clerk
House of Representatives

THE SENATE OF THE STATE OF HAWAI'I

Date: April 27, 2021
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-First Legislature of the State of Hawai'i, Regular Session of 2021.


President of the Senate


Clerk of the Senate