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# 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**~~[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~~[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.



**Report Title:**

Land Use; Planning; Permitting; Land Use Commission; Office of Planning and Sustainable Development; Department of Business, Economic Development, and Tourism

**Description:**

Reorganizes and integrates the land use commission within a modified office of planning, which is renamed as the office of planning and sustainable development. (CD1)

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

