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## A BILL FOR AN ACT

RELATING TO HOME-BASED BUSINESSES.

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

- 1           SECTION 1. Chapter 421J, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:  
4           "§421J-           Home-based businesses. (a) Notwithstanding  
5 any law to the contrary, no owner shall be prevented by anything  
6 in the association documents from establishing a home-based  
7 business on the premises of any unit of the owner. Any  
8 provision in the association documents or any lease or contract  
9 contrary to the intent of this section shall be void and  
10 unenforceable.  
11           (b) Every association may adopt bylaws or rules that  
12 reasonably regulate the establishment of a home-based business  
13 on the premises of any unit within the planned community;  
14 provided that those rules do not prohibit the establishment of  
15 home-based businesses altogether.  
16           (c) An owner shall not operate a home-based business if:



1        (1) The nature of the home-based business unduly requires  
2                    the use of common areas;

3        (2) The home-based business creates an undue burden on  
4                    neighbors, including increased vehicular and  
5                    pedestrian traffic and decreased parking; or

6        (3) The home-based business violates federal, state, or  
7                    county laws, rules, or ordinances regarding the  
8                    creation, storage, or use of hazardous materials on  
9                    site.

10       (d) For purposes of this section, "home-based business"  
11 means any enterprise whose primary office is located in the  
12 owner's personal residence."

13       SECTION 2. Chapter 514B, Hawaii Revised Statutes, is  
14 amended by adding a new section to be appropriately designated  
15 and to read as follows:

16       "§514B- Home-based businesses. (a) Notwithstanding  
17 any law to the contrary, no unit owner shall be prevented by  
18 anything in an association's governing documents from  
19 establishing a home-based business on the premises of any unit  
20 of the unit owner. Any provision in the governing documents or



1 any lease or contract contrary to the intent of this section  
2 shall be void and unenforceable.

3 (b) Every association may adopt or amend house rules or  
4 bylaws that reasonably regulate the establishment of a home-  
5 based business on the premises of any unit within the  
6 condominium; provided that those rules do not prohibit the  
7 establishment of home-based businesses altogether.

8 (c) A unit owner shall not operate a home-based business  
9 if:

10 (1) The nature of the home-based business unduly requires  
11 the use of common elements;

12 (2) The home-based business creates an undue burden on  
13 neighbors, including increased vehicular and  
14 pedestrian traffic and decreased parking; or

15 (3) The home-based business violates federal, state, or  
16 county laws, rules, or ordinances regarding the  
17 creation, storage, or use of hazardous materials on  
18 site.

19 (d) For purposes of this section, "home-based business"  
20 means any enterprise whose primary office is located in the unit  
21 owner's personal residence."



# H.B. NO. 1218

1 SECTION 3. New statutory material is underscored.

2 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:

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JAN 26 2021



# H.B. NO. 1218

**Report Title:**

Home-based Businesses; Planned Community Associations;  
Condominium Associations

**Description:**

Prohibits planned community associations and condominium associations from banning home-based businesses, with certain exceptions.

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

