H.B. NO. 753
H.D. 1
S.D. 2

A BILL FOR AN ACT

RELATING TO SCHOOL IMPACT FEES.

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

1   PART I

2   SECTION 1. Section 302A-1603, Hawaii Revised Statutes, is

3 amended by amending subsection (b) to read as follows:

4   "(b) The following shall be exempt from this section:

5   (1) Any form of housing permanently excluding school-aged

6   children, with the necessary covenants or declarations

7   of restrictions recorded on the property;

8   (2) Any form of housing that is or will be paying the

9   transient accommodations tax under chapter 237D;

10   (3) All nonresidential development; [and]

11   (4) Any development with an executed education

12   contribution agreement or other like document with the

13   department for the contribution of school sites or

14   payment of fees for school land or school

15   construction[.]; and

H.B. NO. 753
H.D. 1
S.D. 2

1   (5) Any form of housing developed by the department of

2   Hawaiian home lands for use by beneficiaries of the

3   Hawaiian Homes Commission Act, 1920, as amended."

4   PART II

5   SECTION 2. The legislature finds that the department of

6   education requires statutory flexibility to effectively manage

7   and expend school impact fees. The purpose of this part is to

8   provide that flexibility.

9   SECTION 3. Section 302A-1608, Hawaii Revised Statutes, is

10   amended as follows:

11   1. By amending subsection (h) to read:

12   "[+](h)[+] Construction cost component impact fees shall

13   be used only [for]:

14   (1) For the costs of new school facilities that expand the

15   student capacity of existing schools or adds student

16   capacity in new schools[.]; or

17   (2) To improve or renovate existing structures for school

18   use.

19   Construction cost component impact fees [may] shall not be used

20   to replace an existing school located within the same school

1 impact district, either on the same site or on a different

2 site."

3   2.   By amending subsection (j) to read:

4   "[(-)](j)[(-)] Construction cost component impact fees shall

5 not be expended for[:

6   (1) The] the maintenance or operation of existing schools

7   in the district[; or

8   (2) Portable or temporary facilities]."

9   3.   By amending subsection (l) to read:

10   "[(-)](l)[(-)] Fees in lieu, proceeds from the sale of all or

11 part of an existing school site that has been dedicated by a

12 developer pursuant to the requirements of this subpart, and

13 construction cost component impact fees shall be expended or

14 encumbered within twenty years of the date of collection. Fees

15 shall be considered spent or encumbered on a first-in, first-out

16 basis. [An expenditure plan for all collected impact fees shall

17 be incorporated into the annual budget process of the department

18 and subject to legislative approval of the budget.]"

1   PART III

2   SECTION 4. This Act does not affect rights and duties that

3 matured, penalties that were incurred, and proceedings that were

4 begun before its effective date.

5   SECTION 5. Statutory material to be repealed is bracketed

6 and stricken. New statutory material is underscored.

7   SECTION 6. This Act shall take effect upon its approval;

8 provided that on July 1, 2024, section 1 of this Act shall be

9 repealed and section 302A-1603(b), Hawaii Revised Statutes,

10 shall be reenacted in the form in which it read on the day prior

11 to the effective date of this Act.

H.B. NO. 753
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Report Title:
School Impact Fees; Education; Housing; DHHL

Description:
Excludes housing developed by the Department of Hawaiian Home Lands from school impact fees for 3 years. Allows construction cost component impact fees to be used to improve or renovate existing structures for school use. Repeals the prohibition against expending construction cost component impact fees for portable or temporary facilities. Repeals the requirement that an expenditure plan for all collected impact fees be incorporated into the Department of Education's annual budget process. (SD2)

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