# A BILL FOR AN ACT

RELATING TO RURAL DISTRICTS.

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

1	SECTION 1. The legislature finds that given the shortage
2	of housing in Hawaii, the counties should be permitted to
3	increase density in state-designated rural districts. Under

- 4 existing law, only one dwelling house is generally permitted on
- 5 one-half acre, or 21,780 square feet, of land in a rural
- 6 district. The legislature further finds that giving counties
- 7 the option of adopting ordinances to allow a dwelling house on
- $oldsymbol{8}$  each quarter-acre of land in rural districts will increase
- 9 housing opportunities where appropriate.
- Accordingly, the purpose of this Act is to:
- 11 (1) Authorize the counties to determine the

  12 appropriateness of allowing a dwelling house on each

  13 quarter-acre, rather than each half-acre, of land in

  14 rural districts; provided that dwelling houses are

  15 consistent with the county general plan and community

  16 development plan;

1	(2)	Require the office of planning and sustainable
2		development to conduct a study to refine rural
3		district policies and make recommendations to
4		facilitate the reclassification of lands from the
5		agricultural district to the rural district; and
6	(3)	Appropriate funds for the office of planning and
7		sustainable development to conduct the study.
8	SECTI	ON 2. Section 205-2, Hawaii Revised Statutes, is
9	amended as	follows:
10	1. B	y amending subsection (a) to read:
11	"(a)	There shall be four major land use districts in which
12	all lands	in the State shall be placed: urban, rural,
13	agricultur	al, and conservation. The land use commission shall
14	group cont	iguous land areas suitable for inclusion in one of
15	these four	major districts. The commission shall set standards
16	for determ	sining the boundaries of each district $[\tau]$ ; provided
17	that:	
18	(1)	In the establishment of boundaries of urban districts.
19		those lands that are now in urban use and a sufficient
20		reserve area for foreseeable urban growth shall be
21		included;

1	(2)	In the establishment of boundaries for rural
2		districts, areas of land composed primarily of small
3		farms mixed with very low density residential lots,
4		which may be shown by a minimum density of not more
5		than one house per [one-half] one-quarter acre and a
6		minimum lot size of not less than one-half acre shall
7		be included, except as herein provided;
8	(3)	In the establishment of the boundaries of agricultural
9		districts, the greatest possible protection shall be
10		given to those lands with a high capacity for
11		intensive cultivation; and
12	(4)	In the establishment of the boundaries of conservation
13		districts, the "forest and water reserve zones"
14		provided in Act 234, section 2, Session Laws of Hawaii
15		1957, are renamed "conservation districts" and,
16		effective as of July 11, 1961, the boundaries of the
17		forest and water reserve zones theretofore established
18		pursuant to Act 234, section 2, Session Laws of Hawaii
19		1957, shall constitute the boundaries of the
20		conservation districts; provided that thereafter the

1	power to determine the boundaries of the conservation
2	districts shall be in the commission.
3	In establishing the boundaries of the districts in each county,
4	the commission shall give consideration to the master plan or
5	general plan of the county."
6	2. By amending subsection (c) to read:
7	"(c) Rural districts shall include activities or uses as
8	characterized by low density residential lots of not more than
9	one dwelling house per [one-half] one-quarter acre, except as
10	provided by county ordinance pursuant to section 46-4(c)[ $_{ au}$ ] and
11	provided that each dwelling house shall be consistent with the
12	county general plan and community development plan, in areas
13	where "city-like" concentration of people, structures, streets,
14	and urban level of services are absent, and where small farms
15	are intermixed with low density residential lots except that
16	within a subdivision, as defined in section 484-1, the
17	commission for good cause may allow one lot of less than
18	one-half acre, but not less than [eighteen thousand five hundred
19	square feet, one-quarter acre, or an equivalent residential
20	density, within a rural subdivision and permit the construction
21	of one dwelling on [such] the lot; provided that all other

- 1 dwellings in the subdivision shall have a minimum lot size of
- 2 one-half acre or 21,780 square feet. [Such] The petition for
- 3 variance may be processed under the special permit procedure.
- 4 These districts may include contiguous areas [which] that are
- 5 not suited to low density residential lots or small farms by
- 6 reason of topography, soils, and other related characteristics.
- 7 Rural districts shall also include golf courses, golf driving
- 8 ranges, and golf-related facilities.
- 9 In addition to the uses listed in this subsection, rural
- 10 districts shall include geothermal resources exploration and
- 11 geothermal resources development, as defined under section
- 12 182-1, and construction and operation of wireless communication
- antenna, as defined under section 205-4.5(a)(18), as permissible
- 14 uses."
- 15 SECTION 3. Section 205-5, Hawaii Revised Statutes, is
- 16 amended by amending subsection (c) to read as follows:
- "(c) Unless authorized by special permit issued pursuant
- 18 to this chapter, only the following uses shall be permitted
- 19 within rural districts:
- 20 (1) Low density residential uses;
- 21 (2) Agricultural uses;

1	(3)	Golf courses, golf driving ranges, and golf-related
2		facilities;
3	(4)	Public, quasi-public, and public utility facilities;
4		and
5	(5)	Geothermal resources exploration and geothermal
6		resources development, as defined under section 182-1.
7	In a	ddition, the minimum lot size for any low density
8	residenti	al use shall be one-half acre and there shall be but
9	one dwell	ing house per [one-half] one-quarter acre[7]; provided
10	that each	dwelling house shall be consistent with the county
11	general p	lan and community development plan, except as provided
12	for in se	ction 205-2."
13	SECT	ION 4. The office of planning and sustainable
14	developme	nt shall conduct a study to assess the rural district
15	framework	within the land use law and make recommendations for
16	revisions	to rural district policies and permissible uses within
17	the rural	district. The study shall include:
18	(1)	A legal analysis of regulatory issues and safeguards
19		that must be addressed to facilitate the
20		reclassification of lands from the agricultural
21		district to the rural district: and

1	(2) Recommendations for legislation necessary to address
2	the issues and safeguards identified in paragraph (1).
3	SECTION 5. In conducting the study required by this Act,
4	the office of planning and sustainable development shall
5	coordinate its efforts with the land use commission, department
6	of agriculture, and county planning departments. The office of
7	planning and sustainable development shall engage community
8	stakeholders, including stakeholders with farming interests and
9	interested members of the general public, in the development of
10	study recommendations.
11	SECTION 6. The office of planning and sustainable
12	development shall submit:
13	(1) An interim report of its findings and recommendations,
14	including any proposed legislation, to the legislature
15	no later than twenty days prior to the convening of
16	the regular session of 2023; and
17	(2) A final report of its findings and recommendations,
18	including any proposed legislation, to the legislature
19	no later than twenty days prior to the convening of
20	the regular session of 2024.

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provided that:

(1)

2050; and

## S.B. NO. 2922 S.D. 2

1 SECTION 7. There is appropriated out of the general 2 revenues of the State of Hawaii the sum of \$ 3 much thereof as may be necessary for fiscal year 2022-2023 for 4 the office of planning and sustainable development to conduct 5 the study and complete the reports pursuant to this Act. 6 The sum appropriated shall be expended by the department of 7 business, economic development, and tourism for the purposes of 8 this Act. 9 SECTION 8. Statutory material to be repealed is bracketed 10 and stricken. New statutory material is underscored. 11 SECTION 9. This Act shall take effect on July 1, 2050;

Sections 4 through 7 shall take effect on July 1,

(2) Sections 2 and 3 shall take effect on July 1, 2051.

2022-2323 SB2922 HD1 HMSO

#### Report Title:

Rural Districts; Dwellings; County Ordinances; OPSD; Land Use; Study; Appropriation

#### Description:

Beginning 7/1/2051, authorizes the counties to adopt ordinances that allow up to one house per quarter-acre in rural districts. Requires the office of planning and sustainable development to conduct a study to refine rural district policies, make recommendations to facilitate the reclassification of lands from the agricultural district to the rural district, and submit reports to the legislature. Appropriates funds. Effective 7/1/2050. (HD1)

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