
A BILL FOR AN ACT

RELATING TO THE COUNTIES.

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

1 SECTION 1. The legislature finds that inclusionary zoning
2 is a housing policy that requires that a certain percentage of
3 housing units in a new residential development be priced as
4 affordable for persons having low- to moderate-incomes. Given
5 the severe shortage of affordable housing across the State, some
6 or all of the counties have adopted inclusionary zoning policies
7 in an attempt to increase the supply of affordable housing.
8 However, according to the university of Hawaii economic research
9 organization, inclusionary zoning policies may actually reduce
10 the number of affordable housing units available in a particular
11 area. The legislature recognizes that there is an unintended
12 effect resulting from, among other factors, developers either
13 building high-rent housing in a housing project in order to
14 subsidize required affordable housing units or choosing not to
15 build in areas in which inclusionary zoning applies.



1 Accordingly, the purpose of this Act is to prohibit the
2 counties from imposing any inclusionary zoning requirements on
3 future housing developments.

4 SECTION 2. Section 46-4, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "**§46-4 County zoning.** (a) This section and any
7 ordinance, rule, or regulation adopted in accordance with this
8 section shall apply to lands not contained within the forest
9 reserve boundaries as established on January 31, 1957, or as
10 subsequently amended.

11 Zoning in all counties shall be accomplished within the
12 framework of a long-range, comprehensive general plan prepared
13 or being prepared to guide the overall future development of the
14 county. Zoning shall be one of the tools available to the
15 county to put the general plan into effect in an orderly manner.
16 Zoning in the counties of Hawaii, Maui, and Kauai means the
17 establishment of districts of such number, shape, and area, and
18 the adoption of regulations for each district to carry out the
19 purposes of this section. In establishing or regulating the
20 districts, full consideration shall be given to all available
21 data as to soil classification and physical use capabilities of



1 the land to allow and encourage the most beneficial use of the
2 land consonant with good zoning practices. The zoning power
3 granted herein shall be exercised by ordinance which may relate
4 to:

- 5 (1) The areas within which agriculture, forestry,
6 industry, trade, and business may be conducted;
- 7 (2) The areas in which residential uses may be regulated
8 or prohibited;
- 9 (3) The areas bordering natural watercourses, channels,
10 and streams, in which trades or industries, filling or
11 dumping, erection of structures, and the location of
12 buildings may be prohibited or restricted;
- 13 (4) The areas in which particular uses may be subjected to
14 special restrictions;
- 15 (5) The location of buildings and structures designed for
16 specific uses and designation of uses for which
17 buildings and structures may not be used or altered;
- 18 (6) The location, height, bulk, number of stories, and
19 size of buildings and other structures;
- 20 (7) The location of roads, schools, and recreation areas;
- 21 (8) Building setback lines and future street lines;



- 1 (9) The density and distribution of population;
- 2 (10) The percentage of a lot that may be occupied, size of
- 3 yards, courts, and other open spaces;
- 4 (11) Minimum and maximum lot sizes; and
- 5 (12) Other regulations the boards or city council find
- 6 necessary and proper to permit and encourage the
- 7 orderly development of land resources within their
- 8 jurisdictions.

9 The council of any county shall prescribe rules,
10 regulations, and administrative procedures and provide personnel
11 it finds necessary to enforce this section and any ordinance
12 enacted in accordance with this section. The ordinances may be
13 enforced by appropriate fines and penalties, civil or criminal,
14 or by court order at the suit of the county or the owner or
15 owners of real estate directly affected by the ordinances.

16 Any civil fine or penalty provided by ordinance under this
17 section may be imposed by the district court, or by the zoning
18 agency after an opportunity for a hearing pursuant to
19 chapter 91. The proceeding shall not be a prerequisite for any
20 injunctive relief ordered by the circuit court.



1 Nothing in this section shall invalidate any zoning
2 ordinance or regulation adopted by any county or other agency of
3 government pursuant to the statutes in effect prior to July 1,
4 1957.

5 The powers granted herein shall be liberally construed in
6 favor of the county exercising them, and in such a manner as to
7 promote the orderly development of each county or city and
8 county in accordance with a long-range, comprehensive general
9 plan to ensure the greatest benefit for the State as a whole.
10 This section shall not be construed to limit or repeal any
11 powers of any county to achieve these ends through zoning and
12 building regulations, except insofar as forest and water reserve
13 zones are concerned and as provided in subsections (c) and (d).

14 Neither this section nor any ordinance enacted pursuant to
15 this section shall prohibit the continued lawful use of any
16 building or premises for any trade, industrial, residential,
17 agricultural, or other purpose for which the building or
18 premises is used at the time this section or the ordinance takes
19 effect; provided that a zoning ordinance may provide for
20 elimination of nonconforming uses as the uses are discontinued,
21 or for the amortization or phasing out of nonconforming uses or



1 signs over a reasonable period of time in commercial,
2 industrial, resort, and apartment zoned areas only. In no event
3 shall such amortization or phasing out of nonconforming uses
4 apply to any existing building or premises used for residential
5 (single-family or duplex) or agricultural uses. Nothing in this
6 section shall affect or impair the powers and duties of the
7 director of transportation as set forth in chapter 262.

8 (b) Any final order of a zoning agency established under
9 this section may be appealed to the circuit court of the circuit
10 in which the land in question is found. The appeal shall be in
11 accordance with the Hawaii rules of civil procedure.

12 (c) Each county may adopt reasonable standards to allow
13 the construction of two single-family dwelling units on any lot
14 where a residential dwelling unit is permitted.

15 (d) Neither this section nor any other law, county
16 ordinance, or rule shall prohibit group living in facilities
17 with eight or fewer residents for purposes or functions that are
18 licensed, certified, registered, or monitored by the State;
19 provided that a resident manager or a resident supervisor and
20 the resident manager's or resident supervisor's family shall not
21 be included in this resident count. These group living



1 facilities shall meet all applicable county requirements not
2 inconsistent with the intent of this subsection, including but
3 not limited to building height, setback, maximum lot coverage,
4 parking, and floor area requirements.

5 (e) Neither this section nor any other law, county
6 ordinance, or rule shall prohibit the use of land for employee
7 housing and community buildings in plantation community
8 subdivisions as defined in section 205-4.5(a)(12); in addition,
9 no zoning ordinance shall provide for the elimination,
10 amortization, or phasing out of plantation community
11 subdivisions as a nonconforming use.

12 (f) Neither this section nor any other law, county
13 ordinance, or rule shall prohibit the use of land for medical
14 cannabis production centers or medical cannabis dispensaries
15 established and licensed pursuant to chapter 329D; provided that
16 the land is otherwise zoned for agriculture, manufacturing, or
17 retail purposes.

18 (g) Neither this section nor any other law, county
19 ordinance, or rule shall impose an inclusionary zoning
20 requirement on housing offered exclusively for sale in fee



1 simple to buyers who are owner-occupants and do not own any
2 other real property.

3 As used in this subsection, "inclusionary zoning
4 requirement" means any requirement to set aside a certain
5 percentage of a housing development project to be sold at or
6 below market prices."

7 SECTION 3. Each county shall submit a report on
8 inclusionary zoning requirements, including the number of
9 housing units still owned by original owners and the resale
10 prices of, or profit realized from, resold units, to the
11 legislature no later than twenty days prior to the convening of
12 the regular sessions of 2024, 2025, 2026, 2027, and 2028.

13 SECTION 4. There is appropriated out of the general
14 revenues of the State of Hawaii the sum of \$ or so
15 much thereof as may be necessary for fiscal year 2023-2024 and
16 the same sum or so much thereof as may be necessary for fiscal
17 year 2024-2025 for the counties to submit reports to the
18 legislature pursuant to section 3 of this Act.

19 The sums appropriated shall be expended by the counties for
20 the purposes of this Act, in the following amounts:

21 City and county of Honolulu \$



H.B. NO. 815

1 County of Hawaii §
 2 County of Kauai §
 3 County of Maui § .

4 SECTION 5. This Act does not affect rights and duties that
 5 matured, penalties that were incurred, and proceedings that were
 6 begun before its effective date.

7 SECTION 6. New statutory material is underscored.

8 SECTION 7. This Act shall take effect on July 1, 2023.

9

INTRODUCED BY: 
 JAN 23 2023



H.B. NO. 815

Report Title:

Counties; Affordable Housing; Inclusionary Zoning; Prohibition; Appropriations

Description:

Prohibits the counties from imposing inclusionary zoning requirements. Requires the counties to submit reports to the Legislature. Appropriates moneys.

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

