

JAN 17 2024

A BILL FOR AN ACT

RELATING TO HOUSING.

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

1 SECTION 1. The legislature finds that the State is facing
2 a housing crisis. A 2019 study commissioned by the department
3 of business, economic development, and tourism found that, using
4 high scenario projections, the State will require an additional
5 46,573 homes by the year 2030, with the city and county of
6 Honolulu requiring 21,392 new units, Hawaii county requiring
7 13,527 new units, Maui county requiring 8,515 new units, and
8 Kauai county requiring 3,138 new units.

9 The legislature further finds that some of the largest
10 obstacles for developers to construct more housing in the State
11 are:

- 12 (1) A lack of areas with proper zoning for residential
13 dwellings to be constructed;
- 14 (2) A lack of infrastructure to support newly developed
15 residential dwellings; and
- 16 (3) Delays in the issuance of building permits for single-
17 family and multi-family projects.



1 The building permit processing times for single-family and
2 multi-family projects vary tremendously across the United
3 States. However, the counties in Hawaii seem to have some of
4 the longest processing times for residential building permits.
5 A study prepared by the university of Hawaii economic research
6 office in April of 2022 found that, on average, Hawaii
7 homebuilders wait three times longer for permits than those in
8 other states, which drives up costs significantly and creates
9 uncertainty, serving as a disincentive to build new projects.
10 Furthermore, the study found that, compared to the most
11 regulated markets in the country, Hawaii's permit delays are
12 almost two times longer, meaning it can take between a year and
13 a year and a half for a permit to be approved.

14 The lengthy processing times to obtain a building permit
15 begs the question: what information is necessary for counties
16 when processing building permit applications? The basic
17 responsibilities of the county are to ensure compliance with
18 various building codes and ensure adequate infrastructure
19 capacity to support the proposed project or development.
20 Although the counties are responsible to check for compliance
21 with various building codes, if the construction plans do not



1 satisfy the code and are not corrected prior to construction,
2 the designer (a licensed professional who stamped the plans) and
3 the contractor are ultimately responsible. The county is also
4 not typically involved in litigation as the building permit
5 process is ministerial, mainly to check for code compliance.

6 In other municipalities around the country, building plans
7 are not scrutinized to the extent that they are in Hawaii
8 counties. In Hawaii, the plan review is to ensure that the
9 design meets all applicable codes. However, in other
10 municipalities, the plans are used as a guide and code
11 compliance is done during the inspection of the project during
12 construction. Inspectors who find construction does not satisfy
13 the code either have the correction done in the field or stop
14 construction until proper corrective actions have been taken to
15 ensure the new construction meets the code. Ultimately, the
16 design professional and contractor are responsible to ensure the
17 new construction meets all applicable codes.

18 Accordingly, the purpose of this Act is to establish a
19 permit process that shifts the responsibility for code
20 compliance from the counties to the design professional for all
21 single-family and multi-family residential projects.



1 SECTION 2. Chapter 46, Hawaii Revised Statutes, is amended
2 by adding a new section to be appropriately designated and to
3 read as follows:

4 "§46- Building permit applications; certification;
5 review time limit. For single-family and multi-family projects
6 in each county, a building permit shall be issued within sixty
7 days of an application being filed that is stamped by a duly
8 licensed structural, civil, electrical, or mechanical engineer
9 and architect certifying that all plans and specifications are
10 in compliance with the applicable building codes for the
11 respective county. The certification shall include a statement
12 that adequate infrastructure capacity is available to service
13 the project site. During the sixty-day period after the
14 building permit application has been submitted, the respective
15 county shall ensure that the project is in compliance with
16 applicable ordinances regarding land use, set-back, height, and
17 site development requirements for the project site; provided
18 that non-compliance with any of the county's discretionary
19 approvals may delay the county's issuance of the building
20 permit."

21 SECTION 3. New statutory material is underscored.



S.B. NO. 2042

Report Title:

Housing; Counties; Building Permits; Review Time Limits; Code Compliance

Description:

Requires counties to grant building permits within sixty days if the application is stamped and certified by a licensed engineer and architect.

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