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# 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 shortage. 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 to allow for the  
13 construction of residential dwellings;
- 14           (2) A lack of infrastructure to support newly developed  
15 residential dwellings; and
- 16           (3) Delays in the issuance of building permits for  
17 single-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 An April 2022 study prepared by the university of Hawaii  
6 economic research organization 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 regulated  
11 markets in the country, Hawaii's permit delays are almost two  
12 times longer, meaning it can take from one year to one and a  
13 half years for a permit to be approved.

14           The legislature also finds that lengthy processing times to  
15 obtain a building permit raises the question: What information  
16 is necessary for counties when processing building permit  
17 applications? The basic responsibilities of the counties are to  
18 ensure compliance with various building codes and ensure  
19 adequate infrastructure capacity to support the proposed project  
20 or development. Although it is the counties' responsibility to  
21 monitor for compliance with various building codes, if the



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

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

20 Accordingly, the purpose of this Act is to require permits  
21 to be issued within sixty days for certain single-family and



1 multi-family housing projects if certain conditions are  
2 satisfied.

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

6 "§46- Single-family and multi-family housing project  
7 permit applications; review time limit. (a) For single-family  
8 and multi-family housing projects in each county, a permit shall  
9 be issued within sixty days of filing of a complete application,  
10 which shall include full and complete plans and a statement from  
11 the relevant permitting agency that adequate infrastructure  
12 capacity is available to service the project site. During the  
13 sixty-day period after the permit application has been filed,  
14 the respective county shall ensure that the project is in  
15 compliance with chapter 6E and all applicable ordinances  
16 regarding land use, set-back, height, and site development  
17 requirements for the project site; provided that noncompliance  
18 with any state law or county ordinance may delay the county's  
19 issuance of the permit. If the county determines that the  
20 application is not complete or if the county requires additional  
21 information, corrections, or clarification regarding the permit



1 application, the county shall notify the applicant and specify  
2 the information needed to meet the applicable permit  
3 requirements and the sixty-day review period shall be paused  
4 until a complete application is made to the county. If an  
5 applicant does not accept all corrections, changes, or  
6 recommendations made by the applicable permitting agency to the  
7 plans submitted by the applicant, the sixty-day review period  
8 shall be paused until revised full and complete plans are  
9 submitted to the applicable permitting agency.

10 (b) Except as provided in subsection (c), a permit  
11 submitted under this section shall be deemed approved if:

12 (1) The permit has not been approved by the applicable  
13 permitting agency within sixty days of filing of a  
14 complete application; or

15 (2) The applicant has submitted a full and complete plan  
16 and agrees to all corrections, changes, or  
17 recommendations to the plan made by the applicable  
18 permitting agency.

19 (c) A permit that has not been approved by the applicable  
20 permitting agency within sixty days of filing a complete  
21 application shall not be deemed approved if:



1       (1) The sixty-day permit review period has been paused to  
2       allow the applicant to respond to any additional  
3       information, corrections, or clarifications regarding  
4       the permit application requested by the applicable  
5       permitting agency or to revise any plans in response  
6       to any corrections, changes, or recommendations to the  
7       plans made by the applicable permitting agency; or

8       (2) Approval of the permit has been delayed due to  
9       noncompliance of the permit with applicable state law  
10       or county ordinances.

11       (d) A county shall not consider an application complete  
12       until:

13       (1) Either:

14       (A) Qualified county professionals who meet state  
15       historic preservation division rules governing  
16       professional qualifications for architecture,  
17       archaeology, architectural history, or physical  
18       anthropology have made a reasonable and  
19       good-faith determination that the project does  
20       not have the potential to affect historic



1 properties, archaeological resources, or burial  
2 sites; or

3 (B) The project has been submitted to the state  
4 historic preservation division of the department  
5 of land and natural resources and the chapter 6E  
6 process has been completed, including for those  
7 situations in which the county professional  
8 described in subparagraph (A) determines that the  
9 project may have the potential to affect historic  
10 properties, archaeological resources, or burial  
11 sites; and

12 (2) The applicant submits documentation evidencing that  
13 the proposed project does not encroach on special  
14 flood hazard areas identified as "A" or "V" zones on  
15 the Federal Emergency Management Agency's Flood  
16 Insurance Rate Maps, or the applicable county official  
17 has reviewed the proposed project for floodplain  
18 management compliance and has issued a development  
19 permit for construction.

20 (e) Each county may adopt rules pursuant to chapter 91 to  
21 effectuate the purposes of this section.



1       (f) Nothing in this section shall be construed to allow  
2 any violation of federal, state, or county laws, rules, or  
3 ordinances.

4       (g) For the purposes of this section, "full and complete  
5 plans" means a plan submitted to a county that has been stamped  
6 by a duly licensed structural, civil, electrical, or mechanical  
7 engineer and architect certifying that all plans and  
8 specifications are in compliance with the applicable building  
9 codes for the respective county."

10       SECTION 3. New statutory material is underscored.

11       SECTION 4. This Act shall take effect on July 1, 3000, and  
12 shall be repealed on June 30, 2030.



**Report Title:**

Housing; Counties; Permits; Permitting Agencies; Review Time Limits; Code Compliance

**Description:**

Requires permits to be issued by applicable permitting agencies within sixty days of a complete application being filed for single-family and multi-family housing projects if certain conditions are satisfied. Automatically deems approved a permit that is either not otherwise approved by the applicable permitting agency within sixty days or for which the applicant has agreed to all corrections, changes, or recommendations to the plans and specifications made by the applicable permitting agency. Pauses the sixty day permit review period under certain circumstances. Sunsets 6/30/2030. Effective 7/1/3000. (HD3)

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