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

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- 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 or county regulations 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	n, the county shall notify the applicant and specify					
2	the information needed to meet the applicable permit						
3	requirement	requirements and the sixty-day review period shall be paused					
4	until a com	until a complete application is made to the county. If an					
5	applicant o	applicant does not accept all corrections, changes, or					
6	recommendations made by the applicable permitting agency to the						
7	plans submi	tted by the applicant, the sixty-day review period					
8	shall be pa	used until revised full and complete plans are					
9	submitted t	to the applicable permitting agency.					
10	(b) E	except as provided in subsection (c), a permit					
11	submitted u	under this section shall be deemed approved if:					
12	<u>(1)</u> <u>T</u>	he permit has not been approved by the applicable					
13	<u>r</u>	ermitting agency within sixty days of filing of a					
14	<u>C</u>	complete application; or					
15	<u>(2)</u> <u>T</u>	he applicant has submitted a full and complete plan					
16	<u>a</u>	nd agrees to all corrections, changes, or					
17	<u>r</u>	ecommendations to the plan made by the applicable					
18	p	ermitting 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		<u>(B)</u>	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; and		
7	(2)	The	developer submits documentation evidencing that		
8		the	proposed development does not encroach on special		
9		floo	d hazard areas identified as "A" or "V" zones on		
10		the	Federal Emergency Management Agency's Flood		
11		Insu	rance Rate Maps, or the applicable county official		
12		has	reviewed the proposed development for floodplain		
13		mana	gement compliance and has issued a development		
14		perm	it for construction.		
15	<u>(e)</u>	Each	county may adopt rules pursuant to chapter 91 to		
16	effectuate the purposes of this section.				
17	<u>(f)</u>	Noth	ing in this section shall be construed to allow		
18	any viola	tion (of federal, state, or county laws, rules, or		
19	ordinance	s.			
20	(g)	For	the purposes of this section, "full and complete		
21	plans" me	ans a	plan submitted to a county that has been stamped		

- 1 by a duly licensed structural, civil, electrical, or mechanical
- 2 engineer and architect certifying that all plans and
- 3 specifications are in compliance with the applicable building
- 4 codes for the respective county."
- 5 SECTION 3. New statutory material is underscored.
- 6 SECTION 4. This Act shall take effect on July 1, 3000, and
- 7 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 certain 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 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. (HD2)

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