
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, to address the
2 State's ongoing housing shortage, Act 295, Session Laws of
3 Hawaii 2025 (Act 295), established an expedited permitting
4 process for single-family and multi-family residential projects.
5 However, since its implementation, stakeholders have raised
6 concerns that ambiguities in Act 295 regarding additional
7 insurance requirements, indemnification obligations, and
8 certification language may inadvertently create uninsurable
9 conditions, discouraging architects and engineers from
10 participating in the expedited permitting process.

11 The legislature believes that clarifying these provisions
12 will ensure that design professionals are not required to assume
13 liabilities beyond what their professional liability insurance
14 can cover, thereby improving participation and supporting the
15 State's broader goal of accelerating housing production.

16 Accordingly, the purpose of this Act is to:



1 (1) Clarify certain provisions under Act 295 relating to
2 insurance, indemnification, and certain certificate of
3 occupancy requirements for purposes of expedited
4 permits; and

5 (2) Require state or county inspectors to inspect all
6 projects with expedited permits.

7 SECTION 2. Section 46-90, Hawaii Revised Statutes, is
8 amended as follows:

9 1. By amending subsection (b) to read:

10 "(b) An applicant or the applicant's agent may submit a
11 request to the county for an expedited permit if sixty business
12 days have lapsed after the application was considered complete
13 by the relevant agency and the application has not received full
14 approval by the county. The request by the applicant or the
15 applicant's agent shall include:

16 (1) A full and complete set of plans;

17 (2) Statements or evidence from the relevant permitting
18 agencies that adequate infrastructure capacity is
19 available to service the project site and specified
20 improvements;



- 1 (3) The following information from all licensed
2 professionals on record:
- 3 (A) Policies of insurance that:
- 4 (i) Name the State and county as additional
5 ~~[insurers,]~~ insureds under a commercial
6 general liability policy;
- 7 (ii) Are in amounts equivalent to at least
8 ~~[\$2,000,000,]~~ \$1,000,000; and
- 9 (iii) Specifically ~~[allow coverage for the~~
10 ~~completed project for the period]~~ require
11 that the licensed professional maintain
12 professional liability insurance that
13 provides coverage for claims arising out of
14 the completed project, so long as the claim
15 is first made and reported in accordance
16 with the terms of the policy during the
17 period allowed under section 657-8; and
- 18 (B) A statement that indemnifies and holds harmless
19 the State, its officers, agents, and employees,
20 and the county, its officers, agents, and
21 employees~~+~~, from and against claims, damages,



1 losses, and expenses, including attorneys' fees,
2 only to the extent caused by the negligent acts,
3 errors, or omissions of the licensed
4 professional;

5 (4) A statement that sixty business days have lapsed
6 without approval since the application would have been
7 considered complete by the relevant agency; and

8 (5) The required county contractor's statement."

9 2. By amending subsections (e) and (f) to read:

10 "(e) After approval, the licensed professional on record
11 or county shall ensure that the project construction is in
12 compliance with the approved plans under the expedited permit,
13 including but not limited to the requirements under chapter 6E
14 and all applicable ordinances regarding land use, set-back,
15 height, and site development requirements for the project site.
16 State [~~and~~] or county inspectors shall [~~not be precluded from~~
17 ~~entering and inspecting project sites~~] inspect all projects with
18 expedited permits. Licensed professionals and contractors shall
19 address any defects in construction identified by state or
20 county inspectors; provided that the defects in construction are
21 consistent with the specifications in the approved plans. If



1 the defects are not consistent with the approved plans, the
2 licensed professional shall note the disagreement and assume
3 review responsibility as the approving authority or initiate a
4 change to the plans to address the defect. Consistent with the
5 requirements and time periods established by each county, all
6 licensed contractors and the licensed professional or the
7 licensed contractors' or licensed professional's successor
8 agents shall maintain a record of inspected structural, civil,
9 plumbing, and electrical systems after a certificate of
10 occupancy is issued and provide a copy of that record to the
11 applicant and the county.

12 (f) Upon completion of construction, the [~~licensed~~
13 ~~professional shall certify in writing to the county that a~~
14 ~~certificate of occupancy is warranted and all laws, rules,~~
15 ~~ordinances, and conditions governing permitted construction have~~
16 ~~been met, along with any necessary as-built drawings consistent~~
17 ~~with the requirements of each county. The] county shall issue
18 [~~the~~] a certificate of occupancy to the applicant and may notate
19 that the certificate is approved by the licensed professional
20 under an agreement pursuant to an expedited permit, and not a
21 county official."~~



1 SECTION 3. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.



1 SECTION 4. This Act shall take effect on July 1, 3000, and
2 shall be repealed on June 30, 2031.



Report Title:

Expedited Permits; Insurance; Additional Insureds;
Indemnification; Certificates of Occupancy

Description:

Clarifies insurance, indemnification, and certain certificate of occupancy requirements for purposes of expedited permits. Requires state or county inspectors to inspect all projects with expedited permits. Repeals 6/30/2031. Effective 7/1/3000.
(SD1)

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