

JAN 21 2026

A BILL FOR AN ACT

RELATING TO HOUSING.

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

1 SECTION 1. Section 201H-38, Hawaii Revised Statutes, is
2 amended to read as follows:

3 **"§201H-38 Housing development; exemption from statutes,
4 ordinances, charter provisions, and rules.** (a) The corporation
5 may develop on behalf of the State or with an eligible
6 developer, or may assist under a government assistance program
7 in the development of, housing projects that shall be exempt
8 from all statutes, charter provisions, ordinances, and rules of
9 any government agency relating to planning, zoning, construction
10 standards for subdivisions, development and improvement of land,
11 and the construction of dwelling units thereon; provided that:
12 (1) The housing projects meet the following conditions:
13 (A) The corporation finds the housing project is
14 consistent with the purpose and intent of this
15 chapter, meets minimum requirements of health and
16 safety, and provides the county an opportunity to
17 comment; provided further that the corporation



1 may modify a housing project or impose conditions
2 on the housing project only to the extent
3 necessary to address minimum health and safety
4 standards;

5 (B) The development of the proposed housing project
6 does not contravene any safety standards,
7 tariffs, or rates and fees approved by the public
8 utilities commission for public utilities or of
9 the various boards of water supply authorized
10 under chapter 54;

11 (C) The legislative body of the county in which the
12 housing project is to be situated has approved
13 the project with or without modifications:
14 (i) The legislative body shall approve, approve
15 with modification, or disapprove the project
16 by resolution within forty-five days after
17 the corporation has submitted the
18 preliminary plans and specifications for the
19 project to the legislative body; provided
20 further that the legislative body shall not
21 impose stricter conditions, impose stricter



1 median income requirements, or reduce fee
2 waivers that will increase the cost of the
3 project beyond those approved by the
4 corporation. If, on the forty-sixth day, a
5 project is not disapproved, it shall be
6 deemed approved by the legislative body;
7 (ii) No action shall be prosecuted or maintained
8 against any county, its officials, or
9 employees on account of actions taken by
10 them in reviewing, approving, modifying, or
11 disapproving the plans and specifications;
12 and
13 (iii) The final plans and specifications for the
14 project shall be deemed approved by the
15 legislative body if the final plans and
16 specifications do not substantially deviate
17 from the preliminary plans and
18 specifications. The final plans and
19 specifications for the project shall
20 constitute the zoning, building,
21 construction, and subdivision standards for



1 that project. For purposes of sections
2 501-85 and 502-17, the executive director of
3 the corporation or the responsible county
4 official [may] shall review the contents of
5 the submitted applications and shall submit
6 the applications to the appropriate
7 legislative body to certify maps and plans
8 of lands connected with the project as
9 having complied with applicable laws and
10 ordinances relating to consolidation and
11 subdivision of lands, and the maps and plans
12 shall be accepted for registration or
13 recordation by the land court and registrar;
14 and

15 (D) The land use commission has approved, approved
16 with modification, or disapproved a boundary
17 change within forty-five days after the
18 corporation has submitted a petition to the
19 commission as provided in section 205-4. If, on
20 the forty-sixth day, the petition is not



3 (2) The housing projects:

4 (A) Meet the conditions of paragraph (1);

5 (B) Do not impose stricter income requirements than
6 those adopted or established by the State; and

7 (C) For the lifetime of the project, require one

8 hundred per cent of the units in the project be
9 exclusively for qualified residents

10 (b) The corporation or a county shall have thirty days to
11 accept an application submitted pursuant to this section. The
12 corporation or county shall have one hundred twenty days to
13 process the application before final approval by a county
14 legislative body pursuant to subsection (a) (1) (C).

15 (c) If, after one hundred twenty days, the county has
16 neither rejected nor approved the application, the application
17 shall be considered automatically approved, unless the county
18 can demonstrate why an approval of the project would not be
19 appropriate or would adversely affect public safety.

20 [+] (d) For the purposes of this section, "government
21 assistance program" means a housing program qualified by the



1 corporation and administered or operated by the corporation or
2 the United States or any of their political subdivisions,
3 agencies, or instrumentalities, corporate or otherwise."

4 SECTION 2. Statutory material to be repealed is bracketed
5 and stricken. New statutory material is underscored.

6 SECTION 3. This Act shall take effect upon its approval.

7

INTRODUCED BY: Mark W. Rutledge



S.B. NO. 2177

Report Title:

HHFDC; Housing Development; Counties; Affordable Housing; Application; Approval

Description:

Clarifies that projects seeking exemptions from planning and development laws and rules may be modified by the Hawaii Housing Finance and Development Corporation under certain conditions. Authorizes HHFDC to make recommendations to appropriate legislative bodies. Requires HHFDC or a county to accept an application seeking certain exemptions within thirty days, and to process the application within one hundred twenty days before final approval by a county legislative body for certain housing projects. Provides that any application that is neither approved nor denied by the county within one hundred twenty days shall be approved unless the county can demonstrate why an approval of the project would not be appropriate or would adversely affect public safety.

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

