

ACT 294

S.B. NO. 38

A Bill for an Act Relating to Housing.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 201H-38, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) The corporation may develop on behalf of the State or with an eligible developer, or may assist under a government assistance program in the

development of, housing projects that shall be exempt from all statutes, charter provisions, ordinances, and rules of any government agency relating to planning, zoning, construction standards for subdivisions, development and improvement of land, and the construction of dwelling units thereon; provided that [either]:

- (1) The housing projects meet the following conditions:
 - (A) The corporation finds the housing project is consistent with the purpose and intent of this chapter, ~~[and]~~ meets minimum requirements of health and safety~~;~~, and provides the county an opportunity to comment;
 - (B) The development of the proposed housing project does not contravene any safety standards, tariffs, or rates and fees approved by the public utilities commission for public utilities or of the various boards of water supply authorized under chapter 54;
 - (C) The legislative body of the county in which the housing project is to be situated has approved the project with or without modifications:
 - (i) The legislative body shall approve, approve with modification, or disapprove the project by resolution within forty-five days after the corporation has submitted the preliminary plans and specifications for the project to the legislative body~~;~~; provided further that the legislative body shall not impose stricter conditions, impose stricter median income requirements, or reduce fee waivers that will increase the cost of the project beyond those approved by the corporation. If, on the forty-sixth day, a project is not disapproved, it shall be deemed approved by the legislative body;
 - (ii) No action shall be prosecuted or maintained against any county, its officials, or employees on account of actions taken by them in reviewing, approving, modifying, or disapproving the plans and specifications; and
 - (iii) The final plans and specifications for the project shall be deemed approved by the legislative body if the final plans and specifications do not substantially deviate from the preliminary plans and specifications. The final plans and specifications for the project shall constitute the zoning, building, construction, and subdivision standards for that project. For purposes of sections 501-85 and 502-17, the executive director of the corporation or the responsible county official may certify maps and plans of lands connected with the project as having complied with applicable laws and ordinances relating to consolidation and subdivision of lands, and the maps and plans shall be accepted for registration or recordation by the land court and registrar; and
 - (D) The land use commission has approved, approved with modification, or disapproved a boundary change within forty-five days after the corporation has submitted a petition to the commission as provided in section 205-4. If, on the forty-sixth day, the petition is not disapproved, it shall be deemed approved by the commission; or

- (2) The housing projects:
 - (A) Meet the conditions of paragraph (1);
 - (B) Do not impose stricter income requirements than those adopted or established by the State; and
 - (C) For the lifetime of the project, require that one hundred per cent of the units in the project be exclusively for qualified residents.”

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

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

(Approved July 3, 2025.)