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# A BILL FOR AN ACT

RELATING TO LAND USE.

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

1           SECTION 1. The legislature finds that there are cases  
2 where lands reclassified by the land use commission to the urban  
3 district are undeveloped for many years after the  
4 reclassification. The legislature is concerned that in some  
5 cases conditions have changed so significantly that the  
6 development proposal as originally conceived may warrant review  
7 and reconsideration. The legislature also finds that premature  
8 urban or rural classification encourages speculative land  
9 banking and creates uncertainty in the buildout of planned urban  
10 or rural capacity and associated infrastructure. This Act  
11 provides for the development of a use-it-or-lose-it mechanism to  
12 ensure more effective timing of development of planned or  
13 approved urban or rural capacity.

14           SECTION 2. Chapter 205, Hawaii Revised Statutes, is  
15 amended by adding a new section to be appropriately designated  
16 and to read as follows:

17           "§205-       Reversion of district classification. (a) The  
18 land use commission shall establish a process, including



1 conducting public hearings under chapter 91 to develop deadlines  
2 for substantial progress in the development for any petition  
3 approved for reclassification to the urban or rural district. In  
4 developing guidelines for reclassification deadlines, the  
5 commission may consult with petitioners in prior land use  
6 classifications proceedings, prior land use classifications  
7 parties on the record, land use experts, environmental experts,  
8 people knowledgeable in transportation and related  
9 infrastructure impacts, elected officials and community  
10 representatives.

11 (b) By December 31, 2009, the commission shall adopt rules  
12 pursuant to chapter 91 to guide the commission's process to  
13 identify deadlines for substantial progress in the development  
14 of any petition for reclassification to the urban or rural  
15 district.

16 (c) The recommendations of the commission and subsequent  
17 implementation of a use-it-or-lose-it policy shall not apply to  
18 land that is the subject of a state- or county-initiated  
19 petition for a regional boundary amendment based upon a regional  
20 boundary review; nor shall it apply to any petition approved by  
21 the commission or accepted for filing by the commission prior to



1 the effective date of the adoption of a use-it-or-lose-it  
2 system."

3 SECTION 3. The land use commission shall hold a series of  
4 hearings in each county to gather input on the development and  
5 implementation of a use-it-or-lose-it policy and mechanism  
6 consistent with the intent of this Act. The commission shall  
7 prepare a report on the recommendations brought forth in such  
8 hearings and submit the report to the legislature and governor  
9 no later than twenty days prior to the convening of the 2009  
10 session.

11 SECTION 4. There is appropriated out of the general  
12 revenues of the State of Hawaii the sum of \$50,000 or so much  
13 thereof as may be necessary for fiscal year 2008-2009 for the  
14 purpose of carrying out this Act.

15 The sum appropriated shall be expended by the land use  
16 commission within the department of business, economic  
17 development and tourism.

18 SECTION 5. New statutory material is underscored.

19 SECTION 6. This Act shall take effect upon its approval;  
20 provided that section 4 shall take effect on July 1, 2008.



**Report Title:**

Land Use Classifications; Use It or Lose It Mechanism

**Description:**

Establishes a process for determining when land use classifications should be rescinded because they have not been exercised. (SD1)

