



# GOV. MSG. NO. 1138

EXECUTIVE CHAMBERS  
KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA

May 28, 2024

The Honorable Ronald D. Kouchi  
President of the Senate,  
and Members of the Senate  
Thirty-Second State Legislature  
State Capitol, Room 409  
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki  
Speaker, and Members of the  
House of Representatives  
Thirty-Second State Legislature  
State Capitol, Room 431  
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on May 28, 2024, the following bill was signed into law:

SB2066 SD2 HD2 CD1

RELATING TO HOUSING.  
**ACT 038**

Sincerely,

Josh Green, M.D.  
Governor, State of Hawai'i

on MAY 28 2024

THE SENATE  
THIRTY-SECOND LEGISLATURE, 2024  
STATE OF HAWAII

**S.B. NO.** 2066  
S.D. 2  
H.D. 2  
C.D. 1

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# 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 Hawaii faces a  
2 critical housing shortage, particularly for Hawaii residents who  
3 are seeking a permanent home for their families, rather than  
4 trying to acquire real estate for investment or speculative  
5 purposes. The legislature further finds that the State provides  
6 a pathway for housing projects to be exempt from all statutes,  
7 charter provisions, ordinances, and rules of any government  
8 agency relating to planning, zoning, construction standards for  
9 subdivisions, development and improvement of land, and the  
10 construction of dwelling units under certain conditions. Among  
11 the requirements for these projects, a majority of the units  
12 must be priced at levels affordable to Hawaii residents who earn  
13 less than one hundred forty per cent of the area median income.  
14 With recent interest rate increases, it is no longer possible to  
15 finance housing construction under these terms.

16           Accordingly, the purpose of this Act is to establish a  
17 separate, alternative pathway for projects to qualify for the  
18 exemptions from certain state laws and rules relating to



1 planning, zoning, and construction, among others. Under this  
2 alternative pathway, all units must be set aside exclusively for  
3 Hawaii residents who have no majority ownership in other  
4 residential properties, are domiciled in the State, and are  
5 owner-occupants, and shall not impose stricter income  
6 requirements than those adopted by the State.

7 SECTION 2. Section 201H-38, Hawaii Revised Statutes, is  
8 amended by amending subsection (a) to read as follows:

9 "(a) The corporation may develop on behalf of the State or  
10 with an eligible developer, or may assist under a government  
11 assistance program in the development of, housing projects that  
12 shall be exempt from all statutes, ~~[ordinances,]~~ charter  
13 provisions, ordinances, and rules of any government agency  
14 relating to planning, zoning, construction standards for  
15 subdivisions, development and improvement of land, and the  
16 construction of dwelling units thereon; provided that~~[+]~~ either:

17 (1) The housing projects meet the following conditions:

18 ~~[(1)]~~ (A) The corporation finds the housing project is  
19 consistent with the purpose and intent of this  
20 chapter, and meets minimum requirements of health  
21 and safety;



1       ~~[(2)]~~ (B) The development of the proposed housing project  
2                   does not contravene any safety standards,  
3                   tariffs, or rates and fees approved by the public  
4                   utilities commission for public utilities or of  
5                   the various boards of water supply authorized  
6                   under chapter 54;

7       ~~[(3)]~~ (C) The legislative body of the county in which the  
8                   housing project is to be situated ~~[shall have]~~  
9                   has approved the project with or without  
10                  modifications:

11               ~~[(A)]~~ (i) The legislative body shall approve, approve  
12                       with modification, or disapprove the project  
13                       by resolution within forty-five days after  
14                       the corporation has submitted the  
15                       preliminary plans and specifications for the  
16                       project to the legislative body. If on the  
17                       forty-sixth day a project is not  
18                       disapproved, it shall be deemed approved by  
19                       the legislative body;

20               ~~[(B)]~~ (ii) No action shall be prosecuted or maintained  
21                       against any county, its officials, or



1 employees on account of actions taken by  
2 them in reviewing, approving, modifying, or  
3 disapproving the plans and specifications;  
4 and

5 ~~(C)~~ (iii) The final plans and specifications for the  
6 project shall be deemed approved by the  
7 legislative body if the final plans and  
8 specifications do not substantially deviate  
9 from the preliminary plans and  
10 specifications. The final plans and  
11 specifications for the project shall  
12 constitute the zoning, building,  
13 construction, and subdivision standards for  
14 that project. For purposes of sections 501-  
15 85 and 502-17, the executive director of the  
16 corporation or the responsible county  
17 official may certify maps and plans of lands  
18 connected with the project as having  
19 complied with applicable laws and ordinances  
20 relating to consolidation and subdivision of  
21 lands, and the maps and plans shall be



1                   accepted for registration or recordation by  
2                   the land court and registrar; and  
3       [~~(4)~~] (D) The land use commission [~~shall approve, approve~~]  
4                   has approved, approved with modification, or  
5                   [~~disapprove~~] disapproved a boundary change within  
6                   forty-five days after the corporation has  
7                   submitted a petition to the commission as  
8                   provided in section 205-4. If, on the forty-  
9                   sixth day, the petition is not disapproved, it  
10                  shall be deemed approved by the commission[~~-~~]; or

11       (2) The housing projects:

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

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

15                  (C) For the lifetime of the project, require one  
16                  hundred per cent of the units in the project be  
17                  exclusively for qualified residents."

18       SECTION 3. Section 201H-41, Hawaii Revised Statutes, is  
19       amended by amending subsection (c) to read as follows:

20                  "(c) The corporation may accept and approve housing  
21       projects independently initiated by private developers that



1 fully comply with subsections (a) and (b). The corporation may  
2 review the plans, specifications, districting, and zoning of the  
3 project for the purpose of exempting the project from all  
4 statutes, ordinances, charter provisions, and rules of any  
5 government agency relating to zoning and construction standards  
6 for subdivisions, development, and improvement of land and the  
7 construction, improvement, and sale of dwelling units thereon;  
8 provided that the procedures in section [~~201H-38(a)(1), (2), and~~  
9 ~~(3)~~] 201H-38(a)(1)(A), (B), and (C) have been satisfied."

10 SECTION 4. Statutory material to be repealed is bracketed  
11 and stricken. New statutory material is underscored.

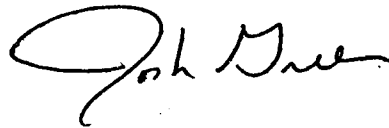
12 SECTION 5. This Act shall take effect upon its approval.



S.B. NO.

2066  
S.D. 2  
H.D. 2  
C.D. 1

APPROVED this **28th** day of **May**, 2024

A handwritten signature in black ink, appearing to read "Josh Green". The signature is written in a cursive, flowing style.


GOVERNOR OF THE STATE OF HAWAII




**THE SENATE OF THE STATE OF HAWAI'I**

Date: May 1, 2024  
Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-Second Legislature of the State of Hawai'i, Regular Session of 2024.

  
President of the Senate

  
Clerk of the Senate

SB No. 2066, SD 2, HD 2, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 1, 2024  
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Second Legislature of the State of Hawaii, Regular Session of 2024.



Scott K. Saiki  
Speaker  
House of Representatives



Brian L. Takeshita  
Chief Clerk  
House of Representatives