
A BILL FOR AN ACT

RELATING TO HOUSING FOR NATIVE HAWAIIANS.

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

1 SECTION 1. The legislature finds that the department of
2 Hawaiian home lands produced no new housing units during the
3 fiscal year ending June 30, 2017, and closed out the year with
4 \$30,000,000 in unspent federal housing funds. The number of
5 eligible beneficiaries awaiting residential leases totals more
6 than twenty-two thousand individuals statewide, with roughly
7 half of the wait list applicants on Oahu.

8 The legislature further finds that the department of
9 Hawaiian home lands has historically lagged terribly behind in
10 addressing its wait list of native Hawaiian beneficiaries. The
11 Hawaiian Homes Commission Act, 1920, as amended, requires the
12 department of Hawaiian home lands to provide houses as well as
13 leases of land. Section 101 of the Hawaiian Homes Commission
14 Act of 1920 states in pertinent part as follows:

15 (b) The principal purposes of this Act include
16 but are not limited to:



1 (1) Establishing a permanent land base for the
 2 benefit and use of native Hawaiians, upon
 3 which they may live, farm, ranch, and
 4 otherwise engage in commercial or industrial
 5 or any other activities as authorized in
 6 this Act;

7 (2) Placing native Hawaiians on the lands set
 8 aside under this Act in a prompt and
 9 efficient manner and assuring long-term
 10 tenancy to beneficiaries of this Act and
 11 their successors; . . . (Emphasis added)

12 The legislature additionally finds that micro housing is an
 13 emerging trend and a feasible type of housing that can help
 14 achieve the housing obligations of the department of Hawaiian
 15 home lands by reducing the cost of development and fostering an
 16 adequate supply of housing, particularly for native Hawaiians
 17 for whom "affordable housing" is oftentimes simply unaffordable.
 18 "Tiny homes" are a form of affordable housing that may address
 19 the State's persistent housing shortage. Tiny homes and their
 20 multifamily counterpart, micro-unit apartments, are typically
 21 constructed using a modular, prefabricated build system or



1 hybrid that involves some conventional construction. Tiny homes
 2 are also ideal for accessory dwelling units, popularly known for
 3 decades as ohana units, which are usually add-ons to existing
 4 homes and can serve as either affordable rentals or additional
 5 shelter for overcrowded residences.

6 The legislature further finds that micro housing or tiny
 7 homes are a cost-effective way to address the housing shortage
 8 in Hawaii because these homes make efficient use of scarce and
 9 expensive land. It is estimated that ten thousand homestead
 10 lots are suitable for tiny homes, and native Hawaiians could
 11 benefit from funding to construct tiny homes.

12 Furthermore, legalizing micro housing will help the
 13 department of Hawaiian home lands to achieve its objectives for
 14 socio-cultural advancement with regard to housing, as set forth
 15 in Act 349, Session Laws of Hawaii 1990, which proposes the
 16 addition of the following language to section 101 of the
 17 Hawaiian Homes Commission Act, 1920, as amended: "The Congress
 18 of the United States and the State of Hawaii declare that the
 19 policy of this Act is to enable native Hawaiians to return to
 20 their lands in order to fully support self-sufficiency for



1 native Hawaiians and the self-determination of native Hawaiians
2 . . . "

3 The purpose of this Act is to:

4 (1) Authorize the construction and use of micro housing
5 units on Hawaiian home lands managed by the department
6 of Hawaiian home lands; and

7 (2) Make an appropriation to the department of Hawaiian
8 home lands to:

9 (A) Construct micro housing units, subject to certain
10 conditions; and

11 (B) Build the general organizational capacity of
12 native Hawaiian-controlled nonprofit housing
13 developers.

14 SECTION 2. Chapter 107, Hawaii Revised Statutes, is
15 amended by adding a new section to part II to be appropriately
16 designated and to read as follows:

17 "§107- Micro housing; exemptions. (a) Notwithstanding
18 any county zoning laws, permit provisions, or building code
19 provisions to the contrary, the construction and use of micro
20 housing units on Hawaiian home lands managed by the department



1 of Hawaiian home lands and leased to native Hawaiian
2 beneficiaries shall be allowed.

3 (b) For purposes of this section, "micro housing unit"
4 means a dwelling unit with a total floor area of less than eight
5 hundred square feet, including a bed, kitchen, kitchen sink,
6 cooking and refrigeration appliances, and a partitioned off
7 bathroom containing a toilet and a bathtub or shower."

8 SECTION 3. There is appropriated out of the general
9 revenues of the State of Hawaii the sum of \$5,000,000 or so much
10 thereof as may be necessary for fiscal year 2018-2019 for the
11 construction of micro housing units as defined in section
12 107- , Hawaii Revised Statutes, to be matched on a dollar-for-
13 dollar basis by funds awarded through the department of Hawaiian
14 home lands; provided that:

15 (1) The cost of construction of each micro housing unit
16 shall not exceed \$125,000;

17 (2) A micro housing unit may be constructed on an existing
18 homestead lot upon which a home already exists only if
19 the micro housing unit is to be occupied by another
20 individual or family related to the existing lessee;

21 and



1 (3) Awarded Native Community Development Financial
2 Institutions shall determine the criteria for lessees
3 to qualify for loans pursuant to this paragraph.

4 SECTION 4. There is appropriated out of the general
5 revenues of the State of Hawaii the sum of \$1,000,000 or so much
6 thereof as may be necessary for fiscal year 2018-2019 to build
7 the general organizational capacity of native Hawaiian-
8 controlled nonprofit housing developers; provided that the
9 nonprofit developers:

10 (1) Have a board of directors that consists of members who
11 are at least fifty-one per cent of native Hawaiian
12 ancestry; and

13 (2) Are able to demonstrate past experience developing
14 housing units on Hawaiian home lands.

15 The sum appropriated shall be expended by the department of
16 Hawaiian home lands for the purposes of this Act.

17 SECTION 5. New statutory material is underscored.

18 SECTION 6. This Act shall take effect on January 1, 2050.



Report Title:

Department of Hawaiian Home Lands; Micro Housing; Tiny Homes; Appropriation

Description:

Authorizes the construction and use of micro housing units on Hawaiian home lands managed by DHHL, notwithstanding zoning laws, permit provisions, and building codes. Makes an appropriation to DHHL for construction of micro housing units, subject to certain conditions, and to build general organizational capacity of native Hawaiian-controlled nonprofit housing developers. (HB2473 HD1)

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