



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKĀ'I

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

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Statement of
JAMES KUNANE TOKIOKA
Director
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON FINANCE

Monday, February 24, 2025
10:00 AM
State Capitol, Conference Room 308

In consideration of
HB 1406, HD1
RELATING TO GOVERNMENT PROCEDURES.

Chair Yamashita, Vice Chair Takenouchi, and members of the Committee:

I am writing to express my support for HB 1406, HD1 which seeks to establish the Intergovernmental Task Force for Permit Simplification within the House of Representatives, to include a representative from the Department of Business, Economic Development, and Tourism, among others. This initiative is a significant step toward streamlining the permitting process across various government agencies in Hawaii.

The current permitting system can often be complex and time-consuming, posing challenges for businesses and individuals alike. By creating this task force, HB 1406, HD1 aims to identify inefficiencies and develop strategies to simplify and expedite the permitting process. This will not only enhance governmental efficiency but also foster a more business-friendly environment, encouraging economic growth and development within our state.

Moreover, a simplified permitting process can lead to increased transparency and accessibility, ensuring that all stakeholders have a clear understanding of requirements and procedures. This is particularly beneficial for small businesses and entrepreneurs who may lack the resources to navigate a convoluted system.

In conclusion, I believe that HB1406, HD1 represents a proactive approach to improving our state's permitting system. I urge the committee to pass this bill, as it will contribute to a more efficient, transparent, and supportive environment for businesses and residents in Hawaii.

Mahalo for the opportunity to provide testimony.

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



DEAN MINAKAMI
EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
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Statement of
DEAN MINAKAMI
Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON FINANCE

February 24, 2025 at 10:00 a.m.
State Capitol, Room 308

In consideration of
H.B. 1406 HD1
RELATING TO GOVERNMENT PROCEDURES.

Chair Yamashita, Vice Chair Takenouchi, and members of the Committee.

HHFDC **supports** HB 1406 HD1, which establishes the Intergovernmental Task Force for Permit Simplification within the House of Representatives to identify actions taken, challenges encountered, and legislative measures necessary to facilitate, expedite, and coordinate state and intergovernmental development permit processes. It also appropriates funds. HHFDC supports the measure so long as it does not adversely impact priorities identified in the Executive Budget Request for FY 2026.

The permitting process is often time-consuming due to the understaffing of resource-constrained agencies, the complexity and multiplicity of requirements, the sequential and contingent nature of reviews, and the potential for legal challenges, among other things. The entitlement and permitting process can take over five years, creating significant delays and uncertainty for housing projects, increasing carrying costs and capital market risks, and deterring investment in affordable housing.

HHFDC is named as a member of the task force and supports efforts to streamline the permitting process across various government agencies.

Thank you for the opportunity to testify on this bill.

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



STATE OF HAWAII
PUBLIC UTILITIES COMMISSION
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Testimony of the Public Utilities Commission

To the
House Committee on
Finance

February 24, 2025
10:00 a.m.

Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee:

Measure: H.B. No. 1406, H.D. 1
Title: RELATING TO GOVERNMENT PROCEDURES.

Position:

The Public Utilities Commission ("Commission") supports this measure and offers the following comments for consideration.

Comments:

The Commission appreciates the intent of this measure to streamline state and intergovernmental permit processes by convening a task force for permit simplification.

The Commission supports inter-agency evaluation of solutions intended to expedite permit processes. As such, the Commission is willing and able to commit staff time to attend and participate in this task force in the capacity outlined in the bill.

Thank you for the opportunity to testify on this measure.

February 24, 2025

The Honorable Kyle T. Yamashita, Chair

House Committee on Finance

State Capitol, Conference Room 308 & Videoconference

RE: House Bill 1406, HD1, Relating to Government Procedures

HEARING: Monday, February 24, 2025, at 10:00 a.m.

Aloha Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee:

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawaii and its over 10,000 members. HAR **supports** House Bill 1406, HD1, which establishes the Intergovernmental Task Force for Permit Simplification to identify actions taken, challenges encountered, and legislative measures necessary to facilitate, expedite, and coordinate state and intergovernmental development permit processes. Appropriates funds. Effective 7/1/3000.

Housing is impacted by numerous state-level permits, such as Special Management Area permits, Land Use Commission district boundary amendments, individual wastewater system permits from the Department of Health, State Historic Preservation Division reviews for historic properties, approvals from the Hawaii Housing Finance and Development Corporation for affordable housing projects, and permits from the Hawaii Community Development Authority.

At the county level, according to the 2024 UHERO's Hawaii Housing Factbook¹, Hawaii's permitting process takes nearly three times longer than in other states, despite efforts by counties to improve efficiency. Processing times for single-family home permits on average range from 141 days in Hawaii County to 315 days in Kauai County. For multifamily housing projects, approvals take even longer—318 days in Hawaii County and up to 427 days in Kauai County. In addition, the City & County of Honolulu faces a significant backlog, further delaying both residential and commercial projects.² These delays can significantly increase project costs, create uncertainty, and slow or disincentivizes the construction of much needed housing. As time passes, rising interest

¹ UHERO. (May 20, 2024). The Hawai'i Housing Factbook. <https://uhero.hawaii.edu/wp-content/uploads/2024/05/HawaiiHousingFactbook2024.pdf>

² Blair, Marcel. (December 12, 2023). "Honolulu's Building Permit Delays: A Nightmare Decades in the Making." Honolulu Civil Beat. <https://www.civilbeat.org/2023/12/honolulus-building-permit-delays-a-nightmare-decades-in-the-making/>.



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rates, increasing material or labor costs, and other market factors can render previously viable projects financially unfeasible.

As such, HAR supports efforts to streamline, expedite, and improve efficiency in the various permitting process to help address Hawaii's housing challenges.

Mahalo for the opportunity to provide testimony on this measure.





Written Statement of
Jeannine Souki
Senior Manager – Government & Regulatory Affairs

HOUSE COMMITTEE ON FINANCE
February 24, 2025, 10:00 AM
State Capitol, Conference Room 308, Videoconference

SUPPORT FOR:

H.B. 1406, H.D. 1 – RELATING TO GOVERNMENT PROCEDURES

To: Chair Yamashita, Vice-Chair Takenouchi, and Members of the Committee
Members of the Committee

Re: Testimony providing support for HB1406, HD1

Aloha Honorable Chair, Vice-Chair, and Committee Members:

Thank you for the opportunity to provide testimony in support of HB1406, HD1, which aims to streamline the state and intergovernmental development permitting process.

Hawaiian Telcom supports the intent of this measure, as Hawai‘i’s state and county permitting processes are more challenging, time-consuming, and costly than those in other states, causing significant delays to important projects. This bill seeks to address these onerous procedures by establishing a task force within the Department of Business, Economic Development, and Tourism (DBEDT) to streamline permitting and propose legislative initiatives for a more efficient, transparent, and user-friendly experience, ultimately boosting economic development in our state.

Since Congress approved \$65 billion in 2021 to provide states and U.S. territories with federal grants to close the digital divide through the Infrastructure Investment and Jobs Act (IIJA) and Broadband Equity, Access, and Deployment (BEAD) programs, the State of Hawai‘i has been awarded over \$300 million in federal funding. This funding will be matched with state and private sector investments to build broadband infrastructure and deliver high-speed internet services across the state. Additionally, Hawaiian Telcom was one of 36 projects awarded a highly competitive federal Middle Mile Grant to build a new interisland broadband fiber cable connecting Kaua‘i, O‘ahu, Moloka‘i, Maui, and Hawai‘i. These federal projects share a highly defined timeline for delivering services, which must contend with the complexities of our state and intergovernmental permitting processes. Streamlining regulations, including permitting, will help stimulate and maximize private and public sector investments in constructing fiber-enabled broadband networks.

While these federal dollars provide a temporary infusion of funding for broadband infrastructure and services, the investments will yield significant economic and technological benefits for our state for generations to come. They will enhance the capacity and resiliency of our broadband networks and extend broadband connectivity throughout the state.

Hawaiian Telcom supports initiatives like this to improve state and intergovernmental development permitting processes. We stand ready to work with your Committee, the DBEDT, other state and county agencies, and stakeholders to find solutions to long-standing issues and enable greater economic competitiveness within the state.

Thank you for the opportunity to support HB1406, HD1.



**Testimony to the House Committee on Finance
Representative Kyle T. Yamashita, Chair
Representative Jenna Takenouchi, Vice Chair**

**Monday, February 24, 2025, at 10:00AM
Conference Room 308 & Videoconference**

RE: HB1406 HD1 Relating to Government Procedures

Aloha e Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee:

My name is Sherry Menor, President and CEO of the Chamber of Commerce Hawaii ("The Chamber"). The Chamber supports House Bill 1406 House Draft 1 (HB1406 HD1), which establishes the Intergovernmental Task Force for Permit Simplification to identify actions taken, challenges encountered, and legislative measures necessary to facilitate, expedite, and coordinate state and intergovernmental development permit processes.

HB1406 HD1 aligns with our 2030 Blueprint for Hawaii: An Economic Action Plan, specifically under the policy pillar for Business Services. This bill promotes policies that drive economic growth, enhance workforce opportunities, and improve the quality of life for Hawaii's residents.

To improve efficiency in Hawaii's development permit system, the legislature is proposing to establish an Intergovernmental Task Force for Permit Simplification. This task force will assess permitting processes, identify challenges, and propose legislative measures to streamline state and intergovernmental approvals. Chaired by a House-appointed representative, its membership will include key state agencies such as the Department of Business, Economic Development, and Tourism, the Land Use Commission, and the Public Utilities Commission. Representatives from the State's congressional delegation and county planning departments will also be invited. The task force must be formed by August 1, 2025, hold its first meeting by October 1, 2025, and conclude its work by June 30, 2027.

To support this effort, funding will be allocated for staffing and administrative costs for fiscal years 2025-2026 and 2026-2027, with expenditures overseen by the House of Representatives. By reducing bureaucratic delays and improving coordination, this initiative will facilitate business growth, housing development, and infrastructure improvements. The Chamber supports this measure as a vital step toward fostering economic development, increasing housing opportunities, and ensuring a more efficient and predictable permitting process for businesses and communities.

The Chamber of Commerce Hawaii is the state's leading business advocacy organization, dedicated to improving Hawaii's economy and securing Hawaii's future for growth and opportunity. Our mission is to foster a vibrant economic climate. As such, we support initiatives and policies that align with the 2030 Blueprint for Hawaii that create opportunities to strengthen overall competitiveness, improve the quantity and skills of available workforce, diversify the economy, and build greater local wealth.

We respectfully ask to pass House Bill 1406 House Draft 1. Thank you for the opportunity to testify.



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TO: Committee on Finance
FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: February 24, 2025
TIME: 10am

RE: HB1406 HD1 Relating to Government Procedures
Position: Support

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, manufacturers and distributors of food and beverage related products in the State of Hawaii.

HFIA is in support of this measure. Many businesses, including those in the food industry, have endured unnecessary delays and added expenses as a result of the permitting process. This includes businesses like food and drink manufacturers that want to build new facilities and expand production, and food retailers that want to install energy generation and storage systems. Fixing the permitting process will promote economic growth and diversification, and have other positive impacts for businesses and our state. We encourage the Committee to pass this measure and we thank you for the opportunity to testify.