

EXECUTIVE CHAMBERS HONOLULU

NEIL ABERCROMBIE GOVERNOR

July 11, 2011

The Honorable Shan Tsutsui, President and Members of the Senate Twenty-Sixth State Legislature State Capitol, Room 409 Honolulu, Hawaii 96813 The Honorable Calvin Say, Speaker and Members of the House Twenty-Sixth State Legislature State Capitol, Room 431 Honolulu, Hawaii 96813

Dear President Tsutsui, Speaker Say and Members of the Legislature:

This is to inform you that on July 11, 2011, the following bill was signed into law:

SB1213 SD1 HD1 CD1

RELATING TO PERMITTING Act 218 (11)

NEIL ABERCROMBIE Governor, State of Hawaii JUL 1 1 2011

THE SENATE
TWENTY-SIXTH LEGISLATURE, 2011
STATE OF HAWAII

ACT 218
S.B. NO. 1213
S.D. H.D. C.D.

A BILL FOR AN ACT

RELATING TO PERMITTING.

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

1 SECTION 1. The legislature finds that current	ly, an
---	--------

- 2 applicant for a building permit must submit an application to
- 3 each agency that has jurisdiction over a certain aspect of the
- 4 project. Many times, this means that an applicant must wait for
- 5 approval from one agency before submitting an application to
- 6 another agency for approval of another aspect of the project.
- 7 At times, an agency may decline to approve an aspect of a
- 8 project that was approved by another agency that reviewed an
- $oldsymbol{9}$ application related to the project. Other times, an application
- $10\,$ may be declined without an explanation as to why it was
- 11 rejected.
- 12 President Obama recently issued an executive order
- 13 directing federal agencies to reduce regulatory burdens on small
- 14 businesses and foster economic growth while protecting the
- 15 health and safety of all Americans. The executive order
- 16 requires federal agencies to "tailor" their regulations in such
- 17 a way as to minimize costs to businesses while achieving the
- objectives of the federal agencies. In short, federal agencies 2011-2355 SB1213 CD1 SMA.doc

- 1 must consider costs and benefits of possible regulations and
- 2 choose the least burdensome path.
- 3 Under the executive order, federal agencies must attempt to
- 4 coordinate, simplify, and harmonize regulations to reduce costs
- 5 and promote certainty for businesses and the public. Federal
- 6 regulations must also be necessary and up to date outdated
- 7 regulations are to be amended or repealed. President Obama also
- 8 directed federal agencies to increase their flexibility, known
- 9 as regulatory flexibility, in implementing regulations since
- 10 regulations may impose substantial compliance costs on small
- 11 businesses. Whereas large businesses may be able to absorb the
- 12 costs of compliance with minimal impact, smaller businesses may
- 13 find these same regulations to be financially burdensome.
- 14 Overall, the initiative is part of an ongoing effort to improve
- 15 governmental efficiency.
- 16 The legislature finds that Hawaii should undertake a
- 17 similar review of state and county administrative rules
- 18 affecting businesses with a view to streamline the approval
- 19 process for businesses by amending or repealing rules that may
- 20 impose burdensome or unnecessary costs to businesses.
- 21 The purpose of this Act is to create a temporary task force
- 22 to study and make recommendations on state and county

2011-2355 SB1213 CD1 SMA.doc



S.B. NO. 5.D. 1 H.D. 1 C.D. 1

- 1 administrative rules, particularly those relating to county
- 2 building permits, with a view toward streamlining the approval
- 3 process for businesses.
- 4 SECTION 2. (a) The comptroller, with the assistance of
- 5 the director of the department of planning and permitting of the
- 6 city and county of Honolulu, shall convene the initial meeting
- 7 of a temporary task force to review and identify state and
- 8 county administrative rules affecting businesses, particularly
- 9 with regard to county building permits, with a view toward
- 10 streamlining the approval process for businesses through the
- 11 amending or repealing of rules that may impose burdensome or
- 12 unnecessary costs for businesses of all sizes but especially for
- 13 smaller businesses. At the initial meeting, the members shall
- 14 select a member from among them to serve as chairperson of the
- 15 task force.
- 16 (b) The task force shall be composed of the:
- 17 (1) President of the Building Industry Association of
- 18 Hawaii;
- 19 (2) Executive director of the Pacific Resource
- 20 Partnership;
- 21 (3) Director of transportation;

S.B. NO. 5.D. 1 H.D. 1 C.D. 1

1	(4)	Chairperson of the board of land and natural
2		resources;
3	(5)	Director of business, economic development, and
4		tourism;
5	(6)	Comptroller;
6	(7)	Director of the department of planning and permitting
7	•	of the city and county of Honolulu;
8	(8)	Director of the department of planning of the county
9		of Maui;
10	(9)	Director of the department of planning of the county
11		of Kauai; and
12	(10)	Director of the department of planning of the county
13		of Hawaii;
14	provided	that each member may select a designee to serve on the
15	task forc	e.
16	(c)	The task force shall make recommendations to the
17	governor,	the mayor of each county, and the heads of state and
18	county ag	encies on any administrative rules that need to be
19	amended o	r repealed in the interest of streamlining government
20	for effic	iency and responsiveness to businesses.
21	(d)	The task force shall report to the legislature the
22	findings	and recommendations of the temporary task force no

2011-2355 SB1213 CD1 SMA.doc

- 1 later than twenty days prior to the convening of the regular
- 2 session of 2012.
- 3 SECTION 3. This Act shall take effect upon its approval.

APPROVED this

day of

JUL

, 2011

GOVERNOR OF THE STATE OF HAWAII