

STAND. COM. REP. NO. 2692

Honolulu, Hawaii

FEB 20 2026

RE: S.B. No. 2066
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committees on Energy and Intergovernmental Affairs and Government Operations, to which was referred S.B. No. 2066 entitled:

"A BILL FOR AN ACT RELATING TO COUNTY PERMITTING AND INSPECTION,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Allow state projects to be exempted from county building permit requirements under certain conditions;
- (2) Require all exempted state projects to be included in a report that is regularly made available to the public;
- (3) Allow state agencies that undertake projects to be dedicated to a county to prepare programmatic or project-specific agreements that establish requirements and standards for review and acceptance if the agency wants the project to be exempted;
- (4) Allow state agencies that want to be exempted from county permitting processes to establish a cooperative working group; and



- (5) Require cooperative working groups to submit an interim report to the Legislature before the Regular Session immediately succeeding the establishment of the working group.

Your Committees received testimony in support of this measure from the Housing Hawai'i's Future and Hawai'i Yimby.

Your Committees received testimony in opposition to this measure from one individual.

Your Committees received comments on this measure from the Department of Accounting and General Services and Department of Education.

Your Committees find that infrastructure challenges are compounded by duplicative and delayed permit review processes. While county permitting plays an essential role in ensuring code compliance and public safety, there are circumstances where these procedural layers cause inflated construction costs, labor escalation, and financing delays, further exacerbating the State's housing shortage. Your Committees further find that one of the most significant impediments to a successful permitting process is personnel shortages. However, more information is needed on how to balance the safety and oversight benefits of permitting processes with the needs of the State to quickly and efficiently construct necessary projects. Therefore, this measure, as amended, will align with the State's commitments to increasing housing and infrastructure development by creating a working group focused on streamlining permitting regulations and increasing qualified staffing for state projects.

Your Committees have amended this measure by:

- (1) Deleting language that would have:
 - (A) Allowed state projects to be exempted from county building permit requirements under certain conditions;
 - (B) Required all exempted state projects to be included in a report that is regularly made available to the public;



- (C) Allowed state agencies that undertake projects to be dedicated to a county to prepare programmatic or project-specific agreements that establish requirements and standards for review and acceptance if the agency wants the project to be exempted;
 - (D) Allowed state agencies that want to be exempted from county permitting processes to establish a cooperative working group; and
 - (E) Required cooperative working groups to submit an interim report to the Legislature before the Regular Session immediately succeeding the establishment of the working group;
- (2) Inserting language that establishes a cooperative working group to research, explore, and make recommendations on streamlining processes exclusively for state projects that require county permitting;
 - (3) Inserting language designating the membership of the working group;
 - (4) Inserting language that requires the working group to submit a report to the Legislature;
 - (5) Inserting a blank appropriation to the counties to address staffing and personnel shortages in planning and permitting departments, to be expended only for staff and personnel dedicated to working on State projects;
 - (6) Deleting the savings clause;
 - (7) Amending section 1 to reflect its amended purpose;
 - (8) Inserting an effective date of April 19, 2042, to encourage further discussion; and
 - (9) Making a technical, nonsubstantive amendments for the purposes of clarity and consistency.

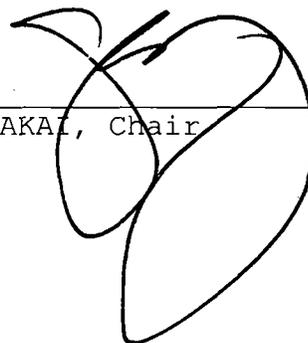


As affirmed by the records of votes of the members of your Committees on Energy and Intergovernmental Affairs and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2066, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2066, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Energy and Intergovernmental Affairs and Government Operations,



ANGUS L.K. MCKELVEY, Chair



GLENN WAKAI, Chair



The Senate
 Thirty-Third Legislature
 State of Hawai'i

Record of Votes
Committee on Energy and Intergovernmental Affairs
EIG

Bill / Resolution No.:* SB2066	Committee Referral: EIG/CVO, WAM	Date: 2/19/26		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
WAKAI, Glenn (C)	✓			
CHANG, Stanley (VC)	✓			
DECOITE, Lynn				✓
RICHARDS, III, Herbert M. "Tim"				✓
FEVELLA, Kurt	✓			
TOTAL	3			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink File with Committee Report Committee Drafting Agency				

*Only one measure per Record of Votes

