

Honolulu, Hawaii

**MAR 20**, 2026

RE: S.B. No. 2671  
S.D. 1  
H.D. 1

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2026  
State of Hawaii

Madame:

Your Committee on Economic Development & Technology, to which was referred S.B. No. 2671, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ESSENTIAL PERMITTING POSITIONS,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Authorize the mayor of each county to implement a pilot program to improve the speed, accountability, and quality of permit processing within that county through targeted staffing, performance incentives, and interdepartmental competition;
- (2) Authorize increased pay for certain permitting positions and require county personnel departments to prioritize the hiring of permitting positions as part of the pilot program;
- (3) Require county mayors and county agencies to establish goals for the pilot program; and
- (4) Require county agencies to submit quarterly reports on the pilot program to the respective county councils.



Your Committee received testimony in support of this measure from the Office of the Mayor of the County of Maui; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; BOMA Hawai'i; Chamber of Commerce Hawaii; and Housing Hawai'i's Future. Your Committee received comments on this measure from the Department of Human Resources of the City and County of Honolulu.

Your Committee finds that Hawaii's permitting processes are prone to delays, which slows housing and infrastructure development. Your Committee further finds that staffing instability and a lack of permitting agency employees have contributed to these issues. Your Committee recognizes that one proven strategy to improve recruitment and retention for hard-to-fill government roles is offering differential pay. This method has seen recent success within the Department of Education, which used shortage differentials to fill hard-to-staff teaching positions, leading to significantly improving staffing stability. This measure affords the counties an option to offer a pay differential as a means to recruit, hire, and retain plan examiners and other essential positions, which will result in faster plan reviews and building permit approvals.


Your Committee has amended this measure by:

- (1) Limiting the authorization for the use of monies collected from the county surcharge on state tax to counties with a population of less than one million; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2671, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2671, S.D. 1, H.D. 1, and be referred to your Committee on Labor.



Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Development & Technology,

  
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GREGGOR ILAGAN, Chair



