

Honolulu, Hawaii

MAR 30 , 2026

RE: S.B. No. 2671
S.D. 1
H.D. 2

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

Madame:

Your Committee on Labor, to which was referred S.B. No. 2671,
S.D. 1, H.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 to their respective county councils on the pilot program.



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

Your Committee finds that delays in Hawaii's permitting processes have slowed housing and infrastructure development and persistent staffing shortages and instability within permitting agencies have contributed to these delays. Your Committee further finds that pay differentials are a proven labor strategy to recruit and retain workers in hard-to-fill public sector positions, as demonstrated by the Department of Education's use of shortage differentials. This measure authorizes counties to offer pay differentials to recruit, hire, and retain plan examiners and other essential employees, thereby improving workforce stability and expediting permit approvals.

Your Committee has amended this measure by:

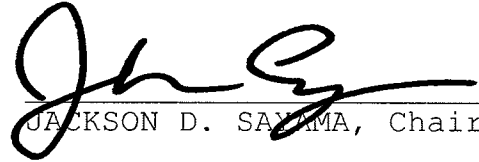
- (1) Specifying that a county with a population of less than five hundred thousand is authorized to participate in the pilot program, rather than specifying that a county with a population of less than one million may allocate funding from the county surcharge on state tax;
- (2) Changing the end date of the pilot program to June 30, 2030;
- (3) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (4) 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 Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2671, S.D. 1, H.D. 1, as amended herein, and recommends that it be referred to



your Committee on Finance in the form attached hereto as S.B. No. 2671, S.D. 1, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Labor,


JACKSON D. SAYAMA, Chair



