

STAND. COM. REP. NO. 2176

Honolulu, Hawaii

FEB 11 2026

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

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

Sir:

Your Committee on Energy and Intergovernmental Affairs, to which was referred S.B. No. 2671 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Authorize a mayor to establish a pilot program to improve the speed, accountability, and quality of permit processing through targeted staffing, performance incentives, and interdepartmental competition within participating counties;
- (2) Authorize a mayor to designate any number of positions as essential permitting positions across departments involved in permit review, permit processing, or both;
- (3) Authorize the payment of a minimum differential payment to assist in employee recruitment and retention;
- (4) Authorize the hiring of essential permitting positions at salaries above the minimum salary within the approved salary range;



- (5) Require personnel departments to prioritize the hiring of individuals into essential permitting positions over other positions;
- (6) Authorize counties to use revenues from the county surcharge on state tax pursuant to pay for pilot program expenses; and
- (7) Require annual reports to the Legislature.

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; and Building Industry Association of Hawaii.

Your Committee received comments on this measure from the Department of the Attorney General, Office of Planning and Sustainable Development, Department of Budget and Fiscal Services of the City and County of Honolulu, and Department of Human Resources of the City and County of Honolulu.

Your Committee finds that a major barrier to housing development in the State is the extensive time required to navigate through the permitting process. Outdated systems, staffing shortages, and fragmented workflows within permitting agencies significantly slow these critical reviews, creating a bottleneck that delays the delivery of new housing units. This measure will alleviate inefficiencies of the permitting process by focusing and investing in the recruitment and retention of employees involved in permitting.

Your Committee has amended this measure by:

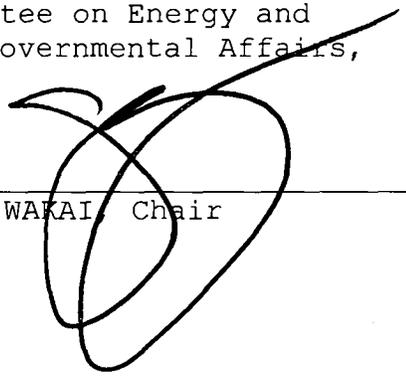
- (1) Inserting an effective date of April 19, 2042, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Intergovernmental Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2671, as amended herein, and recommends that



it pass Second Reading in the form attached hereto as S.B.
No. 2671, S.D. 1, and be referred to your Committee on Ways and
Means.

Respectfully submitted on
behalf of the members of the
Committee on Energy and
Intergovernmental Affairs,



GLENN WAKAI, Chair



