



**STATE OF HAWAII
OFFICE OF PLANNING
& SUSTAINABLE DEVELOPMENT**

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Statement of
MARY ALICE EVANS, Director

before the
HOUSE COMMITTEE ON LABOR
Thursday, February 19, 2026, 9:30 AM
State Capitol, Conference Room 309

in consideration of
HB 2140, HD 1
RELATING TO ESSENTIAL PERMITTING POSITIONS.

Chair Sayama, Vice Chair Lee, and Members of the House Committee on Labor.

The Office of Planning and Sustainable Development (OPSD) **supports the intent and offers comments on HB 2140, HD 1**, which establishes a pilot program to improve the speed, accountability, and quality of permit processing through targeted staffing, performance incentives, and interdepartmental competition within participating counties, requires annual reports to the Legislature, and would sunset on 6/30/2031.

OPSD is supportive of the measure, which seeks to improve the speed and quality of permit processing through a pilot program for essential permitting positions. OPSD recognizes that a major barrier to housing development in Hawai'i is the extensive time required to navigate through the permitting process. We further acknowledge that staffing shortages and a lack of experienced personnel within permitting agencies significantly slow these critical reviews, creating a bottleneck that delays the delivery of new housing units.

While OPSD supports the goal of enhancing recruitment and retention for permitting staff, we prefer a more stable and permanent increase in compensation over the temporary incentive structures proposed in this measure. To effectively address the staffing crisis, the State must provide financial certainty for both existing personnel and the next generation of professionals we hope to attract to the permitting field. Short-term incentives, while well-intentioned, often lack the long-term reliability to influence a professional's career decisions or to compete with the stability offered by the private sector.

Establishing a permanent, competitive salary floor and range for permitting personnel would signal a long-term investment in the State's infrastructure and housing capacity. This approach not only rewards the expertise of our current staff who have carried the burden of high vacancies but also creates a predictable and attractive career ladder for new recruits. By improving fundamental pay and ensuring its permanence, we can build a resilient, professional

workforce capable of sustaining the accelerated permitting timelines necessary to solve our housing crisis.

Thank you for the opportunity to offer comments on this measure.

DEPARTMENT OF BUDGET AND FISCAL SERVICES
KA 'OIHANA MĀLAMA MO'OHELU A KĀLĀ
CITY AND COUNTY OF HONOLULU

530 SOUTH KING STREET, ROOM 208 • HONOLULU, HAWAII 96813
PHONE: (808) 768-3900 • FAX: (808) 768-3179 • WEBSITE: honolulu.gov/budget

RICK BLANGIARDI
MAYOR
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ANDREW T. KAWANO
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CARRIE CASTLE
DEPUTY DIRECTOR
HOPE PO'O

February 18, 2026

The Honorable Jackson D. Sayama, Chair
The Honorable Mike Lee, Vice-Chair
and Members of the House Committee on Labor
State Capitol
415 South Beretania Street
Honolulu, Hawai'i 96813

Dear Chair Sayama, Vice-Chair Lee and Committee Members:

SUBJECT: Testimony on House Bill 2140, HD 1 Relating to Essential Permitting Positions
Hearing: February 19, 2026, 9:30 a.m., Conference Room 309 and via Videoconference

The Department of Budget and Fiscal Services, City and County of Honolulu ("City"), expresses **serious concerns** with House Bill ("HB") 2140, HD 1 Relating to Essential Permitting Positions. Our primary concern is that Section 2(c) proposes the following:

Notwithstanding any provision of section 46-16.8, Hawai'i Revised Statutes ("HRS"), or any charter provision, ordinance, or other law to the contrary, moneys collected from the county surcharge on state tax and distributed to each county pursuant to sections 46-16.8 and 237-8.6, HRS, may be appropriated and allocated by a respective participating county to fulfill the requirements of this subsection and fund the positions subject to the pilot project.

Pursuant to the cited sections of HRS, the City receives a 0.5% county surcharge on the state General Excise Tax to fund the rail transit project. This surcharge is included in Honolulu Authority for Rapid Transportation's ("HART") Full Funding Grant Agreement with the Federal Transit Administration ("FTA") and HART's approved Recovery Plan with approved financial plan. Diverting funds away from HART's financial plan would be detrimental to the approved project agreements.

The Honorable Jackson D. Sayama, Chair
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We also anticipate that securing funding at the federal level will become increasingly challenging in the coming years. Any reduction in state tax funding for rail would limit the City's ability to meet its current obligations to the FTA. If there are alternative sources of funds which could be used for the stated intent of HB 2140, HD 1, we would gladly participate in discussions.

For the reasons stated above, the City expresses **serious concerns** with HB 2140, HD 1 as drafted.

Mahalo for the opportunity to testify on this bill. Should you have any questions or concerns, please feel free to contact the Department of Budget and Fiscal Services at (808) 768-3900 or bfsmail@honolulu.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew T. Kawano". The signature is fluid and cursive, with the first name being the most prominent.

Andrew T. Kawano
Director

**DEPARTMENT OF HUMAN RESOURCES
KA 'OIHANA HO'OMOHALA LIMAHAHA
CITY AND COUNTY OF HONOLULU**

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RICK BLANGIARDI
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NOLA N. MIYASAKI
DIRECTOR
PO'O

KAREN MILLER
ASSISTANT DIRECTOR
KOKUA PO'O

February 18, 2026

The Honorable Jackson D. Sayama, Chair
The Honorable Mike Lee, Vice Chair
and Members of the House Committee on Labor
The House of Representatives
State Capitol, Room 309
415 South Beretania Street
Honolulu, Hawai'i 96813

Dear Chair Sayama, Vice Chair Lee, and Members of the Committee:

SUBJECT: House Bill No. 2140, HD1
Relating to Essential Permitting Positions

The City and County of Honolulu, Department of Human Resources (DHR) respectfully offers the following **comments** on HB 2140, HD1 which proposes the establishment of a pilot program to encourage a county's permitting department to "streamline permitting operations through targeted staffing, performance incentives, and interdepartmental coordination."

DHR supports the intent to streamline the hiring of positions in the Department of Planning and Permitting (DPP). However, DHR believes there are several options already available to DPP that are consistent with the ideas proposed by HB 2140, HD1 options that maintain civil service merit principles encapsulated within HRS §76-1 and the DHR's Civil Service Rules. Should this measure pass, DHR is concerned that this law would be interpreted to mean that current Civil Service Rules, such as those governing impartial selection, merit principles, and equal pay for equal work, could be suspended with respect to positions designated by the pilot program.

Furthermore, DHR notes the following areas within the proposal would need to be clarified prior to actual implementation of any pilot program at the City and County of Honolulu:

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- Eligibility requirements to participate in the program, including part-time, protected leave status (such as military or FMLA) impacts on calculations for milestones payout;
- Cost concerns related to the incentive payments; and
- Issues related to pay inversion, hiring priority and pay equity.

Should this bill move forward, we respectfully request the following amendments:

- Section b(3) include language to clarify that the candidates hired must meet the minimum qualification requirements for the position; and
- References in Section b(4) should be amended from “personnel department” to the “hiring department”. The hiring department is responsible for extending the conditional job offers to candidates via their personnel office or designated hiring manager.

Finally, as currently drafted, the majority of the positions that may be affected by this bill in the City and County of Honolulu are likely included in bargaining units, and nothing in this bill excludes them from collective bargaining or HRS Chapter 89. Therefore, some of the proposed provisions would be subject to negotiation and/or consultation with the unions before they could be implemented. Provisions that would be subject to negotiation include, for example, performance incentives and the proposed minimum differential payment of 15% of a position’s salary. While the bill states that the program may or may not apply to existing, filled positions, there could be collective bargaining issues with applying the program only to vacant positions and not to currently filled positions. Therefore, we respectfully suggest that the Legislature consider the impact of the proposed language on collective bargaining before advancing this bill.

Thank you for the opportunity to provide comments on this measure.

Sincerely,



Nola N. Miyasaki
Director

DEPARTMENT OF PLANNING AND PERMITTING
KA 'OIHANA HO'OLĀLĀ A ME NĀ PALAPALA 'AE
CITY AND COUNTY OF HONOLULU

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DAWN TAKEUCHI APUNA
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PO'O

BRYAN GALLAGHER, P.E.
DEPUTY DIRECTOR
HOPE PO'O

REGINA MALEPEAI
2ND DEPUTY DIRECTOR
HOPE PO'O KUALUA

TESTIMONY OF THE DEPARTMENT OF PLANNING AND PERMITTING

BEFORE THE HOUSE COMMITTEE ON LABOR

February 19, 2026
Conference Room 309

TO: The Honorable Jackson D. Sayama, Chair, The Honorable Mike Lee, Vice Chair,
and Members of the House Committee on Labor

RE: SUPPORT THE INTENT OF HOUSE BILL NO. 2140, HD1, RELATING TO
ESSENTIAL PERMITTING POSITIONS

The Department of Planning and Permitting (DPP) **supports the intent** of House Bill No. 2140, which establishes a pilot program to improve the speed, accountability, and quality of permit processing through targeted staffing, performance incentives, and interdepartmental competition within participating counties.

DPP appreciates the intent, which is to allow the counties to pay designated plan reviewers a higher salary in order to recruit, hire and retain these critical employees. We have long argued that we cannot compete with the federal government or private sector when it comes to salaries. DPP consistently loses employees because they receive excellent training within the City and then move out of municipal government for higher-paying jobs in the private sector.

DPP has vacancies that we have been unable to fill due to salary limitations. This Bill would afford the counties an option to offer a pay differential as a means to recruit, hire and retain plans examiners, and others, which will result in speedier plans reviews and building permit approvals.

Given the preceding, DPP must defer to the Departments of Budget and Fiscal Services and Human Resources as to the appropriate funding mechanism for such a pilot program and compatibility with principles of collective bargaining and the civil service merit system.

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The Honorable Mike Lee, Vice Chair
and Members of the House Committee on Labor
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We thank you for the opportunity to testify and we are prepared to meet and work with the Legislature on changes that will benefit the State, Counties, our employees and the community.

Very truly yours



Dawn Takeuchi Apuna
Director



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

**HEARING BEFORE THE HOUSE COMMITTEE ON LABOR
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 309
THURSDAY, FEBRUARY 19, 2026 AT 9:30 A.M.**

To The Honorable Representative Jackson D. Sayama, Chair
The Honorable Representative Mike Lee, Vice Chair
Members of the Committee on Labor

SUPPORT HB2140 HD1 RELATING TO ESSENTIAL PERMITTING POSITIONS

As an organization committed to fostering economic growth, diversification, and long-term prosperity for Hawai'i's communities, we view HB2140 HD1 as an important step toward addressing a persistent barrier to business and investment: inefficient permit processing. Timely and predictable permitting is critical for businesses seeking to expand, innovate, or recover from recent economic setbacks.

By establishing a pilot program that focuses on targeted staffing, performance incentives, and interdepartmental collaboration, this bill directly addresses bottlenecks that have historically delayed construction, renovation, and business development projects. The authorization for mayors to designate essential permitting positions and offer differential payments can help counties recruit and retain skilled personnel, which is vital for improving processing times and accountability. These measures align with our priorities of supporting productivity, predictability, and outcomes that benefit the broader economy.

The bill's approach of allowing counties to use existing county surcharge revenues for pilot program expenses is prudent, as it avoids imposing new taxes or fees on businesses—an outcome we strongly support. Prioritizing hiring for essential permitting positions also signals a commitment to responsive government and efficient service delivery, both of which are necessary for attracting investment and supporting economic diversification across sectors such as construction, technology, and manufacturing.

Mahalo for the opportunity to provide testimony on HB2140 HD1 and ask that you move this bill forward.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Thirty-Third Legislature, State of Hawaii
House of Representatives
Committee on Labor

Testimony by
Hawaii Government Employees Association

February 19, 2026

H.B. 2140 H.D.1 – RELATING TO ESSENTIAL
PERMITTING POSITIONS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports the intent of H.B. H.D.1 2140, which establishes a pilot program to improve the speed, accountability, and quality of the permit processing through targeted staffing, and performance incentives.

Our organization represents hundreds of employees, across all counties, that are involved in the permitting process. For years we have been advocating that the counties put more focus and investment on the recruitment and retention of employees involved in the permitting process – such as increasing the pay, reducing hiring times, and providing financial awards for meeting milestones that encourage career growth and promote employment longevity. We would like to note that the counties already possess the authority as proposed in section 2, subsection (b)(2), that allows for differentials for recruitment and retention. However, we appreciate the intent of this measure as it continues the conversation about ways our counties can look to develop modern and attractive benefits of this century, to recruit and retain a qualified permitting workforce.

Thank you for the opportunity to testify in support of H.B. 2140 H.D.1.

Respectfully submitted,

Randy Perreira
Executive Director



**Testimony to the House Committee on Labor
Representative Jackson D. Sayama, Chair
Representative Mike Lee, Vice Chair**

**Thursday, February 19, 2026, at 9:30AM
Conference Room 309 & Videoconference**

RE: HB2140 HD Relating to Essential Permitting Positions

Aloha e Chair Sayama, Vice Chair Lee, and Members of the Committee:

My name is Sherry Menor, President and CEO of the Chamber of Commerce Hawaii ("The Chamber"). The Chamber supports House Bill 2140 HD1 (HB2140 HD1), which establishes a pilot program to improve the speed, accountability, and quality of permit processing through targeted staffing, performance incentives, and interdepartmental competition within participating counties.

HB2140 HD1 aligns with our 2030 Blueprint for Hawaii: An Economic Action Plan, specifically under the policy pillar for Economic Action. The incentives provided by this bill invigorate a permitting process that has been marked by understaffing and strain. Creating financial incentives for those engaged in permitting work will help to fill job vacancies, improve retention, and boost productivity. The private sector suffered \$124.6M in permitting delay costs in 2024 alone. Creating a pilot program to test these performance incentives is a hopeful indicator to the business community signaling that permitting innovation is in development and that permitting delay cost burdens might be improved soon.

Aside from the costs associated with permitting delays, inefficiency within the permitting system stifles business' infrastructure development and limits their ability to scale production. Further, permitting delays slows the infusion of key affordable and workforce housing supply into the market. Both effects exert economic pressure that raises the cost of living for the state's labor pool and raises the cost of doing business. The Chamber values the intent of this bill and the economic potential of a pilot program that can sensibly incentivize permitting performance against designated milestones and performance metrics.

The Chamber of Commerce Hawaii is the state's leading business advocacy organization, dedicated to improving Hawaii's economy and securing Hawaii's future for growth and opportunity. Our mission is to foster a vibrant economic climate. As such, we support initiatives and policies that align with the 2030 Blueprint for Hawaii that create opportunities to strengthen overall competitiveness, improve the quantity and skills of available workforce, diversify the economy, and build greater local wealth.

We respectfully ask to pass House Bill 2140 HD1. Thank you for the opportunity to testify.