



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKĀ'I

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Statement of
JAMES KUNANE TOKIOKA
Director
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT AND TECHNOLOGY

Wednesday, February 11, 2026
8:30 AM
State Capitol, Conference Room 423

In consideration of
HB2603
RELATING TO PERMITS.

Chair Ilagan, Vice Chair Hussey, and members of the Committee: The Department of Business, Economic Development & Tourism (DBEDT) appreciates the intent of HB2603 and **offers comments.**

DBEDT supports the goal of improving predictability and efficiency in the State's permitting processes. The establishment of clearer timelines, improved interagency coordination, and enhanced transparency for applicants are aligned with the State's broader economic development and infrastructure delivery objectives.

However, HB2603 represents a significant operational expansion of DBEDT's role. The bill effectively directs DBEDT to design, build, and operate a statewide permitting coordination system and digital infrastructure that does not currently exist. Implementation would require new programmatic, technical, and interagency governance capacity beyond DBEDT's existing resources.

Operational Requirements

To implement HB2603 as written, DBEDT would need to establish a dedicated program structure comparable to a new operational unit. Minimum staffing would include:

- Program Manager (Permitting Systems Lead)
- IT Product Manager
- Business Process Analysts (2)

- Permitting Policy Specialist
- Interagency Coordination Specialist
- Data & Reporting Analyst
- Systems Administrator
- Partial support for legal/compliance and procurement

This equates to approximately 7–9 FTE to design, operate, and maintain the required system and processes.

Technology Infrastructure

The bill requires creation of a single statewide digital permitting portal with application intake, document management, agency routing, status tracking, and reporting capabilities. This would involve:

- Workflow software procurement or custom platform development
- Integration with state and county agency systems
- Cybersecurity and cloud hosting
- User interface design
- Ongoing licensing and maintenance

Estimated costs:

- Initial development: \$2M–\$5M
- Ongoing operations: \$500,000–\$1M annually

Process and Policy Development

HB2603 also requires DBEDT to develop:

- Criteria to classify “low-impact” projects
- Fast-track review pathways
- Permit-by-rule procedures involving licensed design professionals
- A FAST-41–style interagency coordination framework

These elements require extensive consultation with state and county agencies, rule alignment, and governance agreements, which represent substantial policy and systems design work.

Implementation Timeline

Even with full staffing and funding, a responsible rollout would require:

- 4–6 months for hiring and startup
- 6–9 months for interagency process design
- 9–12 months for portal development and integration
- 3–6 months for pilot deployment

Realistic full implementation: 18–24 months

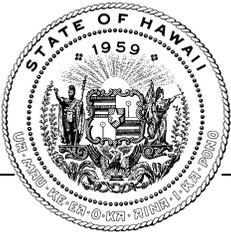
Key Consideration

Without adequate resources, DBEDT would be accountable for timelines and system performance that it does not have authority or capacity to manage. Under-resourcing this effort could create legal exposure, interagency conflict, and unmet public expectations.

DBEDT supports the intent of HB2603 to improve permitting efficiency. However, successful implementation requires:

1. Dedicated FTE positions
2. Capital and ongoing funding for digital infrastructure
3. Sufficient time for phased rollout and interagency coordination

We respectfully request that the Committee consider the resource and timeline requirements necessary to implement the bill effectively. Mahalo for the opportunity to provide comments.



**STATE OF HAWAI'I
OFFICE OF PLANNING
& SUSTAINABLE DEVELOPMENT**

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Statement of
MARY ALICE EVANS, Director

before the
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY

Wednesday, February 11, 2026, 8:30 AM
State Capitol, Conference Room 423

in consideration of
HB 2603
RELATING TO PERMITS.

Chair Ilagan, Vice Chair Hussey, and Members of the House Committee on Economic Development & Technology.

The Office of Planning and Sustainable Development (OPSD) **offers the following comments on HB 2603**, which establishes specific deadlines within the facilitated application process to obtain a permit and requires the Department of Business, Economic Development, and Tourism to establish certain resources and processes to help streamline permit applications.

HB 2603 takes an ambitious and necessary step forward towards addressing the bureaucratic delays that stifle economic development and housing production in Hawai'i. OPSD agrees with the need to streamline state permitting processes, particularly for developments that require multiple, overlapping state approvals. Furthermore, we recognize the critical need to fast-track low-impact projects to accelerate development. By simplifying and reducing these administrative hurdles, the State can more effectively address the urgent demand for new housing, which remains a cornerstone of Governor Green's key initiatives.

However, OPSD notes that while this measure seeks to centralize coordination within the Department of Business, Economic Development, and Tourism (DBEDT), permitting in Hawai'i remains as a complex shared kuleana. Substantial authority rests with the counties, and critical environmental and resource-related oversight involves several state agencies outside of DBEDT, most notably the Department of Health (DOH) and the Department of Land and Natural Resources (DLNR). Given the high stakes of these regulatory functions, OPSD has concerns that the current language may not fully account for the technical expertise required from these disparate entities. To ensure the success of this initiative, it is essential to first convene the appropriate parties to develop a cohesive plan that integrates these various jurisdictions rather than imposing a top-down structure that may inadvertently create new bottlenecks.

To address our concerns and ensure clarity for the department and applicants, OPSD proposes the following amendments:

Recommendation 1:

OPSD recommends that the department convene a formal working group of stakeholders to develop actionable plans to effectuate HB 2603's core objectives. This group should be given the tasks listed on page 7, lines 14-20, and page 8, lines 1-10.

We recommend that the working group include representatives from: DBEDT (including OPSD, the Hawai'i Community Development Authority, and the Land Use Commission); the four counties (Planning, Public Works, Water, and Fire); DLNR (including SHPD); DOH (Wastewater Branch); Island Burial Councils; the State Building Code Council; the design community (Architects/Engineers); and various community stakeholders. This collaborative approach recognizes the complexity of permitting systems and ensures our goals are achieved in a pragmatic, diligent, and legally sound manner.

Recommendation 2:

To provide clarity to both the department and applicants, **OPSD recommends amending the language on page 3, line 1, and page 4, line 11, to specify "ten calendar days."** This ensures consistent expectations across all parties.

Recommendation 3:

OPSD recommends that the measure state a maximum deadline for permit issuance that the department may adjust based on a project's specific complexity. We suggest establishing a formal process for adjusting these timelines to provide the department with the necessary flexibility while maintaining the bill's intent of holding agencies accountable to a predictable schedule.

OPSD supports the intent of HB 2603 and respectfully asks the committee to consider our proposed amendments. We also ask that this measure be implemented in a way that does not replace or adversely impact priorities indicated in our Executive Budget.

Thank you for the opportunity to testify on this measure.

Feb. 11, 2026, 8:30 a.m.
Hawaii State Capitol
Conference Room 423 and Videoconference

To: House Committee on Economic Development & Technology
Rep. Greggor Ilagan, Chair
Rep. Ikaika Hussey, Vice Chair

From: Grassroot Institute of Hawaii
Ted Kefalas, Director of Strategic Campaigns

TESTIMONY IN SUPPORT OF HB2603 — RELATING TO PERMITS

Aloha chair, vice chair and other committee members,

The Grassroot Institute of Hawaii **supports** [HB2603](#), which would establish specific deadlines for the Hawaii Department of Business, Economic Development and Tourism to act on permits submitted through the state's facilitated application process.

It would also require the department to create a digital portal for processing these permits, a process for improving agency coordination and timeliness of environmental reviews and infrastructure projects and a fast-track process for low-impact projects, which the department would be tasked with defining.

As the bill notes, the facilitated application process can be "cumbersome and subject applicants to lengthy waiting periods," and "a backlog in applications can lead to delays in housing, industrial, and commercial projects, stifling economic development in the state."

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

February, 2026

To: Chair Greggor Ilagan, Vice Chair Ikaika Hussey, and the Members of the House Committee on Economic Development & Technology (ECD)

Subject: **HB2603 – Relating to Permits**

Aloha,

The Food+ Policy Team submits this testimony in **support of HB2603**, which aims to improve Hawai'i's permitting process by establishing clear deadlines, strengthening coordination through a digital portal, and investing in staffing capacity within the Department of Business, Economic Development, and Tourism (DBEDT).

Unclear timelines and fragmented permitting processes can create significant barriers for small businesses, community-based organizations, and local projects seeking to move forward efficiently. HB2603 addresses these challenges by introducing a facilitated application process with defined deadlines and centralized resources, improving transparency and predictability for applicants and agencies alike.

Importantly, the bill recognizes that effective streamlining requires adequate capacity. The establishment and funding of positions within DBEDT is essential to ensure that reforms are implemented consistently and sustained over time. Without sufficient staffing, even well-designed systems risk falling short of their intended impact.

A more efficient and coordinated permitting process supports economic development, reduces unnecessary delays, and helps local initiatives move from planning to implementation. These improvements benefit Hawai'i's broader economy while maintaining accountability and clarity within state processes.

For these reasons, we respectfully urge the Committee to **support HB2603** and allow it to continue through the legislative process.

Mahalo,

Carlin McFadden & the Food+ Policy Team
#fixourfoodsystem

The Food+ Policy internship develops student advocates who learn work skills while increasing civic engagement to become emerging leaders. We focus on good food systems policy because we see the importance and potential of the food system in combating climate change and increasing the health, equity, and resiliency of Hawai'i communities.

In 2026, the cohort of interns are undergraduate and graduate students and young professionals working in the food system. They are a mix of traditional and nontraditional students, including parents and veterans, who have backgrounds in education, farming, public health, nutrition, and Hawaiian culture.

HB-2603

Submitted on: 2/6/2026 6:29:11 PM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Jacob Wiencek	Individual	Support	Written Testimony Only

Comments:

Aloha Committee Members,

Any proposal to streamline our permitting system is a win under our crushing regulatory burden. There is no time to delay in passing HB2603!