

**SB-2378-SD-1**

Submitted on: 3/2/2026 4:51:22 AM

Testimony for CPN on 3/4/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Janice Marsters	Testifying for Akala Consulting LLC	Support	Written Testimony Only

Comments:

I own a small business consulting firm on Maui, focused on environmental and civil engineering for Hawai'i essential infrastructure projects. This bill requires design professionals to carry professional and general liability insurance, but we have been cautioned by our insurance brokers that certain terms are not insurable. Uninsurable terms are particularly scary for small businesses, which comprise the majority of engineering firms in the state. I support the corrections contained in this bill that will encourage more local small business design professionals to participate in this important program.

# ACEC

AMERICAN COUNCIL OF ENGINEERING COMPANIES  
of Hawaii

50 Years of Excellence

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Email: [gwright@acechawaii.org](mailto:gwright@acechawaii.org)

Website: [www.acechawaii.org](http://www.acechawaii.org)

March 2, 2026

## **Senate Committee on Commerce and Consumer Protection Decision Making Date: Wednesday, March 4, 2026, 9:30 am**

Honorable Chair Keohokalole, Vice Chair Fukunaga, and Members of the Senate Committee on Consumer Protection

### **Subject: SB 2378 SD1, Relating to Housing Testimony in Strong Support**

Dear Chair Keohokalole, Vice Chair Fukunaga, and Committee Members:

The American Council of Engineering Companies of Hawaii (ACECH) represents 68 member firms with over 2,000 employees throughout Hawaii. ACECH member firm projects directly affect the quality of the water we drink and the food we eat; the safety of our buildings, highways, bridges, and infrastructure; and the quality of the environment in which we work and play. ACECH strongly supports this measure to clarify language related to insurance in Act 295, passed by the legislature in 2025.

After the passage of Act 295, Legislative Session of 2025, ACECH was alerted by professional liability insurance brokers that the new law inadvertently provides uninsurable conditions, as well as inaccurate citation regarding professional liability insurance. These concerns are likely to limit the design professionals willing to engage in the expedited permit process.

The proposed bill language corrects these concerns. Revising the language will encourage more design professionals to conduct this work and is in the State's interest.

Respectfully submitted,

AMERICAN COUNCIL OF ENGINEERING COMPANIES OF HAWAII



Charles Jury, P.E.  
President



THE LIMTIACO CONSULTING GROUP  
CIVIL ENGINEERING AND ENVIRONMENTAL CONSULTANTS

Senate Committee on Commerce and Consumer Protection

March 2, 2026

Hearing Date: Wednesday, March 4, 2026, 9:30 a.m.

**Honorable Senators Jarrett Keohokalole, Chair; Carol Fukunaga, Vice Chair; and  
Members of the Senate Committee on Commerce and Consumer Protection**

**Subject: SB 2378, Relating to Housing  
Testimony in Support**

Dear Senators:

The Limtiaco Consulting Group (TLCG) is a local civil and environmental engineering firm and is proud to be voted one of Hawaii's Best Places to Work and is consistently one of the top engineering firms according to Pacific Business News. TLCG is an active member of the American Council of Engineering Companies of Hawaii and other professional engineering organizations. TLCG principals believe it is important to give back to the communities we serve through beneficial engineering projects and meaningful volunteerism.

**TLCG supports SB 2378 because corrections contained in this bill that will encourage more local small business design professionals to participate in this important program.**

After the passage of Act 295, Legislative Session of 2025, we were alerted by professional liability insurance brokers that the new law inadvertently provides uninsurable conditions, as well as inaccurate citation regarding professional liability insurance. These concerns limit our willingness to engage in the expedited permit process. Uninsurable terms are particularly scary for small businesses, which comprise the majority of engineering firms in the state. I support the corrections contained in SB 2378 that will encourage more local small business design professionals, like ourselves, to participate in this important program.

Thank you for this opportunity to submit testimony. Please feel free to contact me if you have any questions.

Sincerely,  
THE LIMTIACO CONSULTING GROUP, INC.

Kyle H. Kaneshiro, P.E.  
Principal

March 4, 2026, 9:30 a.m.  
Hawaii State Capitol  
Conference Room 229 and Videoconference

**To: Senate Committee on Commerce and Consumer Protection**  
**Sen. Jarrett Keohokalole, Chair**  
**Sen. Carol Fukunaga, Vice Chair**

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

RE: TESTIMONY IN SUPPORT OF SB2378 SD1 — RELATING TO HOUSING

Aloha chair, vice chair and other committee members,

The Grassroot Institute of Hawaii **supports** [SB2378 SD1](#), which would clarify liability rules for professionals participating in the self-certification program established by Act 295 (2025).

Self-certification has the opportunity to streamline the permitting process for single-family and multifamily homes, because it allows licensed architects and engineers to sign off on their own permits if the county permitting agency does not approve them within a certain time frame.

Streamlining this process is critical because Hawaii suffers from chronic permitting delays, reported by the Economic Research Organization at the University of Hawai'i to have been 188 days for single-family homes and 410 for multifamily homes, on average, over the past five years.<sup>1</sup>

Thank you for the opportunity to testify.

Ted Kefalas  
Director of Strategic Campaigns  
Grassroot Institute of Hawaii

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<sup>1</sup> Daniela Bond-Smith, Trey Gordner and Rachel Inafuku et al., "[The Hawaii Housing Factbook 2025](#)," Economic Research Organization at the University of Hawai'i, May 14, 2025, p. 27.



**LATE**

## **The Plumbers and Fitters UA Local 675**

1109 Bethel Street, Lower Level, Honolulu, Hawai`i 96813

'A'ohe hana nui ke alu 'ia

March 3, 2026

### **State Senate- Committee on Commerce and Consumer Protection**

Senator Jarrett Keohokalole, Chair and Senator Carol Fukunaga, Vice Chair

Reference: **SB2378, S.D. 1, Relating to Housing**

Hearing: Wednesday, March 4, 2026, Room 229 at 9:30 am

The Plumbers and Fitters UA Local 675 ("Local 675") are one of three licensed crafts in Hawai'i's construction industry. Its member apprentices and journeymen are guided by and licensed in accordance with the Uniform Plumbing Code ("UPC"), published by the International Association of Plumbing and Mechanical Officials ("IAPMO") who's primary

Local 675 OPPOSES Senate Bill 2378, S.D. 1 as written, which purports to clarify insurance requirements for single-family and multi-family housing projects to obtain expedited permitting from county agencies, and respectfully requests consideration of the amendments provided below.

Although we support efforts to improve the timeframe by which permits are issued, we are very concerned that SB 2378 S.D. 1 eliminates required inspections to ensure that construction is actually built according to design. This component of construction is critical to maintaining the integrity of building codes and standards and protecting the health, safety, and welfare of the public.

We are open to supporting this measure if the following amendments to subsection (e) of section 46-90, Hawaii Revised Statutes, are included and adopted in a subsequent draft of SB 2378 S.D. 1 to address our concerns.

**Section 46-90 (e) is amended to read:**

(e) After approval, the licensed professional on record or county shall ensure that the project construction is in compliance with the approved plans under the expedited permit, including but not limited to the requirements under chapter 6E and all applicable ordinances regarding land use, set-back, height, and site development requirements for the project site. State ~~[and]or~~ county inspectors shall ~~[not be precluded from entering and inspecting]~~inspect all projects~~[-sites]~~ with expedited permits. Licensed professionals and contractors shall address any defects in construction identified by state or county inspectors; provided that the defects in construction are consistent with the specifications in the approved plans. If the defects are not consistent with the approved plans, the licensed professional shall note the disagreement and assume review responsibility as the approving authority or initiate a change to the plans to address the defect. Consistent with the requirements and time periods established by each county, all licensed contractors and the licensed professional or the licensed contractors' or licensed professional's successor agents shall maintain a record of inspected structural, civil, plumbing, and electrical systems after a certificate of occupancy is issued and provide a copy of that record to the applicant and the county.

Mahalo for the opportunity to testify on this measure.

**SB-2378-SD-1**

Submitted on: 3/2/2026 7:37:15 AM

Testimony for CPN on 3/4/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Sheryl Nojima	Individual	Support	Written Testimony Only

Comments:

I am an owner of a small business civil engineering firm in Honolulu. For over 50 years, our design practice has been involved in many infrastructure and residential housing projects throughout the state including Molokai, the Big Island, Kauai, Oahu, and Maui.

Under the current law, which was passed last year, firms like ours would be forced to accept certain terms that are NOT insurable in our professional liability policies. As such, we have been cautioned by insurance providers that these uninsurable terms are particularly burdensome for small businesses, which comprise the majority of engineering firms in the state. I support the corrections contained in this bill that will encourage more local small business design professionals to participate in this important program.

I urge you all to vote in favor of this bill so that small firms like ours CAN remain in business and support Hawaii's economy!

Mahalo for allowing me to testify.

**SB-2378-SD-1**

Submitted on: 3/2/2026 7:37:58 AM

Testimony for CPN on 3/4/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
George Takase	Individual	Support	Written Testimony Only

Comments:

I am the Vice President of Ronald N.S. Ho & Associates (Electrical Engineering) and I'd like to show my support for the corrections in this bill as it will allow more engineering firms to be insured for this program.

**SB-2378-SD-1**

Submitted on: 3/2/2026 7:53:31 AM

Testimony for CPN on 3/4/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Shannon Holman	Individual	Support	Written Testimony Only

Comments:

I am the President of a small Hawai‘i-based engineering firm that provides civil engineering services for airfield and aviation infrastructure projects across the state. While our firm may not be directly impacted by Act 295, we are part of Hawai‘i’s broader design professional community and rely on commercially available professional liability insurance to responsibly manage risk on public projects.

The insurance, indemnification, and certification provisions included in Act 295 may be interpreted in ways that extend beyond what is commercially insurable. Our insurance brokers have consistently advised that professional liability policies do not allow additional insured endorsements, do not cover guarantees or warranties, and only respond to claims arising from proven negligence.

When contractual or statutory provisions extend beyond what insurance policies cover, small firms face potential uninsured exposure. Unlike large national firms, small local businesses do not have the financial capacity to absorb broad, uninsurable indemnity obligations. Provisions that exceed insurable limits can discourage qualified local firms from participating in public programs.

Clarifying this language helps ensure that risk allocation aligns with commercially available insurance coverage. This supports continued participation by local design professionals, maintains healthy competition, and protects the State’s ability to deliver critical infrastructure projects efficiently and cost-effectively.

For these reasons, I support the corrections contained in this bill.

**SB-2378-SD-1**

Submitted on: 3/2/2026 8:52:39 AM

Testimony for CPN on 3/4/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Matthew K Unten	Individual	Support	Written Testimony Only

Comments:

The corrections contained in this bill are very important to the engineering community. This bill requires design professionals to carry professional and general liability insurance, but we have been cautioned by our insurance brokers that certain terms are not insurable. This would preclude engineers from being able to help and support the original intent of this bill further hampering the permit and building processes. I would strongly urge the House to consider supporting the corrections to the bill and what the impact would be if it does not.

Thank you for your consideration,

Matthew Unten

**SB-2378-SD-1**

Submitted on: 3/2/2026 9:03:55 AM

Testimony for CPN on 3/4/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jay M. K. Stone	Individual	Support	Written Testimony Only

Comments:

I am an employee-owner of a large business architect-engineering consulting firm on O‘ahu, focused on civil, mechanical, and electrical engineering; planning; landscape architecture; architecture; asset management; project management; and construction management for essential Hawai‘i infrastructure projects. This bill requires design professionals to carry professional and general liability insurance, but we have been cautioned by our insurance brokers that certain terms are not insurable. Uninsurable terms are particularly scary for large and small businesses. I support the corrections contained in this bill that will encourage more local business design professionals to participate in this important program.

**SB-2378-SD-1**

Submitted on: 3/2/2026 10:04:24 AM

Testimony for CPN on 3/4/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Scott Hayashi	Individual	Support	Written Testimony Only

Comments:

As a member of a local engineering firm in Honolulu that works on various State, County and private projects within the State of Hawai‘i, I support the passage of this bill.

The current language of Act 295 contained language which inadvertently caused uninsurable conditions for design professionals participating in the expedited permitting process. The lack of insurance results in significant risk to companies or individuals and may affect participation in the expedited permitting program.

The corrections to the original Act contained in this bill will create insurable conditions encouraging greater participation from design professionals in this important program.

Respectfully submitted,

Scott W. Hayashi

**SB-2378-SD-1**

Submitted on: 3/2/2026 11:54:45 PM

Testimony for CPN on 3/4/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
CHARLES JURY	Individual	Support	Written Testimony Only

Comments:

Aloha, I am licensed Professional Engineer and I support this bill. The proposed language in this bill is intended to align the insurance requirements with the insurance policies held by engineering firms. Without the proposed revisions, parts of the current language are not insurable, which may deter participation in this program.