

A Bill for an Act Relating to Permitting.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that currently, an applicant for a building permit must submit an application to each agency that has jurisdiction over a certain aspect of the project. Many times, this means that an applicant must wait for approval from one agency before submitting an application to another agency for approval of another aspect of the project. At times, an agency may decline to approve an aspect of a project that was approved by another agency that reviewed an application related to the project. Other times, an application may be declined without an explanation as to why it was rejected.

President Obama recently issued an executive order directing federal agencies to reduce regulatory burdens on small businesses and foster economic growth while protecting the health and safety of all Americans. The executive order requires federal agencies to "tailor" their regulations in such a way as to minimize costs to businesses while achieving the objectives of the federal agencies. In short, federal agencies must consider costs and benefits of possible regulations and choose the least burdensome path.

Under the executive order, federal agencies must attempt to coordinate, simplify, and harmonize regulations to reduce costs and promote certainty for businesses and the public. Federal regulations must also be necessary and up to date - outdated regulations are to be amended or repealed. President Obama also directed federal agencies to increase their flexibility, known as regulatory flexibility, in implementing regulations since regulations may impose substantial compliance costs on small businesses. Whereas large businesses may be able to absorb the costs of compliance with minimal impact, smaller businesses may find these same regulations to be financially burdensome. Overall, the initiative is part of an ongoing effort to improve governmental efficiency.

The legislature finds that Hawaii should undertake a similar review of state and county administrative rules affecting businesses with a view to streamline the approval process for businesses by amending or repealing rules that may impose burdensome or unnecessary costs to businesses.

The purpose of this Act is to create a temporary task force to study and make recommendations on state and county administrative rules, particularly those relating to county building permits, with a view toward streamlining the approval process for businesses.

SECTION 2. (a) The comptroller, with the assistance of the director of the department of planning and permitting of the city and county of Honolulu, shall convene the initial meeting of a temporary task force to review and identify state and county administrative rules affecting businesses, particularly with regard to county building permits, with a view toward streamlining the approval process for businesses through the amending or repealing of rules that may impose burdensome or unnecessary costs for businesses of all sizes but especially for smaller businesses. At the initial meeting, the members shall select a member from among them to serve as chairperson of the task force.

- (b) The task force shall be composed of the:
 - (1) President of the Building Industry Association of Hawaii;
 - (2) Executive director of the Pacific Resource Partnership;
 - (3) Director of transportation;
 - (4) Chairperson of the board of land and natural resources;

- (5) Director of business, economic development, and tourism;
 - (6) Comptroller;
 - (7) Director of the department of planning and permitting of the city and county of Honolulu;
 - (8) Director of the department of planning of the county of Maui;
 - (9) Director of the department of planning of the county of Kauai; and
 - (10) Director of the department of planning of the county of Hawaii;
- provided that each member may select a designee to serve on the task force.
- (c) The task force shall make recommendations to the governor, the mayor of each county, and the heads of state and county agencies on any administrative rules that need to be amended or repealed in the interest of streamlining government for efficiency and responsiveness to businesses.
- (d) The task force shall report to the legislature the findings and recommendations of the temporary task force no later than twenty days prior to the convening of the regular session of 2012.

SECTION 3. This Act shall take effect upon its approval.

(Approved July 11, 2011.)