
A BILL FOR AN ACT

RELATING TO ECONOMIC DEVELOPMENT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Hawaii's construction industry is currently
2 experiencing a boom with recent reports indicating that it will
3 continue expanding, adding more jobs and money into the local
4 economy over the next several years. Statewide construction
5 jobs grew 4.9 per cent in 2004 to roughly 29,300 jobs with
6 expected increases of 6.5 per cent in 2005 and 3.1 per cent in
7 2006. Experts believe that this gain in the construction
8 industry has been fueled by moderate but steady local economic
9 expansion, stronger population growth, out-of-state second-home
10 buyers for resort properties, low interest rates, and increases
11 in the privatization of military construction projects.

12 However, while the expansion of the construction industry
13 continues, the industry still faces a number of unanswered
14 questions, such as the adequacy of the workforce, and
15 complaints, such as the bureaucracy and redundancy faced when
16 developing properties.

17 The purpose of this Act is to convene a task force in the
18 department of labor and industrial relations to study the



1 feasibility of establishing a Hawaii construction authority to
2 develop and implement a strategic, long-range, construction
3 development plan for the State of Hawaii and streamline the
4 construction process.

5 SECTION 2. (a) There is established a Hawaii construction
6 authority task force within the department of labor and
7 industrial relations for administrative purposes that shall
8 consist of the following members:

- 9 (1) The director of labor and industrial relations or a
10 designated representative;
- 11 (2) The director of commerce and consumer affairs or a
12 designated representative;
- 13 (3) The director of business, economic development, and
14 tourism or a designated representative;
- 15 (4) The chairperson of the board of land and natural
16 resources or a designated representative;
- 17 (5) A member of the workforce development council from
18 each county;
- 19 (6) A representative of each county to be appointed by its
20 respective mayor;
- 21 (7) A representative from the board of water supply of the
22 city and county of Honolulu or a designee, who shall



1 also serve as the liaison of the task force to the
2 directors of the boards of water supply of the other
3 counties;

4 (8) A representative of Hawaiian Electric Company;

5 (9) A representative of Hawaiian Telcom;

6 (10) A representative of the Building Industry Association
7 of Hawaii;

8 (11) A representative of the Hawaii Building and
9 Construction Trades Council;

10 (12) A member of the Sierra Club or other similar
11 environmental organization;

12 (13) An individual having knowledge, experience, and
13 expertise in the area of construction, architecture,
14 and engineering;

15 (14) An individual having knowledge, experience, and
16 expertise with labor organizations representing the
17 construction trades;

18 (15) An individual having knowledge, experience, and
19 expertise in the area of Hawaiian cultural practices;
20 and

21 (16) Any other agency or designee deemed appropriate by the
22 director of labor and industrial relations.



1 (b) The task force shall conduct a study of the State's
2 construction industry to determine the feasibility of
3 establishing a Hawaii construction authority that will create
4 and develop a long-range strategic plan for construction in
5 Hawaii, including the development, coordination, and
6 implementation of state policies for the construction industry
7 and related activities taking into account the economic, social,
8 and physical effects of construction on the State and its
9 natural resources and infrastructure. The study shall include
10 but not be limited to:

- 11 (1) An analysis of the number and types of government
12 agencies involved in the construction industry
13 permitting process;
- 14 (2) An overview of the permitting process for new
15 developments;
- 16 (3) A review and analysis of the licensing requirements
17 for construction trades;
- 18 (4) A review and listing of construction projects already
19 in progress;
- 20 (5) A review and listing of construction projects targeted
21 to begin during the current calendar year;



- 1 (6) A review and listing of construction projects
- 2 projected to begin during the next five calendar
- 3 years;
- 4 (7) A review of all federal, state, and county laws that
- 5 will affect the construction industry in the State;
- 6 (8) Efforts to improve the construction industry through
- 7 coordination among agencies that provide oversight or
- 8 have jurisdiction over construction projects;
- 9 (9) Projections on the labor needs of the construction
- 10 industry and the capabilities of the construction
- 11 industry to meet these demands;
- 12 (10) Efforts to improve the education and training of the
- 13 building trades;
- 14 (11) A review of all state and county laws to determine
- 15 whether there is redundancy, and if so, whether
- 16 elimination of this redundancy will improve the
- 17 construction industry in the State;
- 18 (12) An analysis of the finite resources, such as land and
- 19 drinking water, affected by increased development and
- 20 whether the development of a construction authority
- 21 would assist in the protection of these resources;
- 22 (13) The environmental impact of increased development;

1 (14) The benefits, as well as the drawbacks, of
2 establishing a Hawaii construction authority;

3 (15) The costs of establishing a Hawaii construction
4 authority;

5 (16) The impact the establishment of a Hawaii construction
6 authority would have on public employees and
7 departments currently administering programs that
8 would be incorporated into a Hawaii construction
9 authority; and

10 (17) Any other objective deemed necessary by the director
11 of labor and industrial relations.

12 SECTION 3. The director of labor and industrial relations,
13 in consultation with the task force, shall submit a report to
14 the legislature, including findings, recommendations, and draft
15 legislation, no later than twenty days prior to the convening of
16 the regular session of 2008.

17 SECTION 4. There is appropriated out of the general
18 revenues of the State of Hawaii the sum of \$, or so
19 much thereof as may be necessary for fiscal year 2006-2007, for
20 the establishment of a Hawaii construction authority task force.

21 The sum appropriated shall be expended by the department of
22 labor and industrial relations for the purposes of this Act.



1 SECTION 5. This Act shall take effect on July 1, 2006.



SB2546, SD1

Report Title:

Hawaii Construction Authority; Construction; Task Force

Description:

Establishes a task force to study the feasibility of establishing a Hawaii construction authority. (SD1)

