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GOVERNOR



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IN REPLY REFER TO:

# STATE TESTIMONY

STATE OF HAWAII  
DEPARTMENT OF TRANSPORTATION  
869 PUNCHBOWL STREET  
HONOLULU, HAWAII 96813-5097

January 26, 2012

## SB 2358 RELATING TO CAPITAL IMPROVEMENT PROJECTS

### SENATE COMMITTEE ON PUBLIC SAFETY, GOVERNMENT OPERATIONS AND MILITARY AFFAIRS

The Department of Transportation supports Senate Bill No. 2358. Senate Bill No. 2358 will exempt the Department from county permitting requirements so projects can be implemented in a timely manner.

Securing county permits can be time consuming and delay projects from going to construction when funding and procurement have been completed. The process also can add large administrative costs to the projects. If the Department is exempted from getting county permits it will still have to comply with all the requirements as if the permit was to be obtained. This bill will help the Department in getting projects started which will in turn assist in stimulating Hawaii's economy.

A realized benefit is the quicker implementation of approximately \$400 million in projects at our Kahului Airport if we were exempted from county permitting.

The Department encourages further dialog with the counties to address any concerns so that implementation can proceed without undue delay upon the bill's passage.

Thank you for the opportunity to provide testimony on this issue.



NEIL ABERCROMBIE  
GOVERNOR OF HAWAII



GARY L. HOOSER  
DIRECTOR

# LATE TESTIMONY

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## COMMITTEE ON PUBLIC SAFETY, GOVERNMENT OPERATIONS, AND MILITARY AFFAIRS

### SB 2358, RELATING TO CAPITAL IMPROVEMENT PROJECTS

Testimony of Gary Hooser  
Director of the Office of Environmental Quality Control

January 26, 2012

1 **Office's Position:** While I applaud the intent of speeding up the construction process  
2 and the resulting economic impacts that will result from SB 2358, I am testifying today in  
3 opposition to SB2358 in its present form.

4 **Fiscal Implications:** NA

5 **Purpose and Justification:** SB 2358 exempts all state capital improvement projects  
6 for which funds are released in fiscal years 2012-2014 from county permitting  
7 requirements and authorizes the state director of finance to waive county permitting  
8 requirements for pending state capital improvement projects for which funds were  
9 released in fiscal years 2010-2012.

10 My primary concerns have to do with the extremely broad nature and the lack of  
11 detail addressing significant potential ramifications of its passage.

12 a) The measure seems to be a one size fits all solution applying to all State  
13 construction projects regardless of the size. Major new construction, buildings,

- 1 highways, harbors, airports seem to be in the same category as small repair and  
2 maintenance projects.
- 3 b) The measure does not address the issue of “building/construction inspection”  
4 normally conducted by County building inspectors to insure the construction was  
5 completed to comply with County building permits and standards.
- 6 c) It is my understanding that most of these CIP projects will be constructed by  
7 private contractors, and if County inspectors are not inspecting what State  
8 agency will insure that the construction is in fact built to code?
- 9 d) The measure does not address the issue of “county dedication” of building  
10 improvements that often comes after the completion of the improvements –  
11 especially for infrastructure improvements.
- 12 e) Are there any “insurance” ramifications? Will the construction be insurable if  
13 constructed without permits?
- 14 f) The measure does not seem to draw a distinction between “ministerial permits”  
15 and “discretionary permits”. Discretionary permits will normally require a public  
16 hearing and the ultimate approval from another body such as a planning  
17 commission.
- 18 g) How does this measure impact shoreline and SMA permits? What about grading  
19 permits, hauling permits, rock crushing permits, etc. that might be needed for off-  
20 site work? What agency will be assigned to ensure these activities are conducted  
21 in a proper manner?
- 22 h) With regards to projects that fall under Chapter 343 HRS and require an  
23 Environmental Assessment or an Environmental Impact Statement -

1 environmental review documents normally will recommend "mitigating actions"  
2 that will then be considered by the various permitting agencies. In the absence  
3 of County permitting agencies what State agency will assume the responsibility  
4 to insure that proper mitigation measures will be put into place and ultimately  
5 enforced?