



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

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Statement of
JAMES KUNANE TOKIOKA
Director
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON FINANCE

Monday, February 24, 2025
10:00 AM
State Capitol, Conference Room 308

In consideration of
HB 1405, HD1
RELATING TO PERMITS.

Chair Yamashita, Vice Chair Takenouchi, and members of the Committee:

The Department of Business, Economic Development and Tourism (DBEDT) supports HB 1405, HD1, which seeks to establish specific deadlines within the facilitated application process to obtain a permit and requires DBEDT to establish certain resources and processes to streamline permit applications. We believe that this legislation is essential to improving efficiency, reducing delays and fostering economic development across Hawai'i. However, we respectfully request the Committee to consider the following **proposed amendments and resources needed** to enhance the bill's effectiveness and ensure successful implementation. **Without the full appropriation of resources needed, implementation will be delayed.**

Proposed Amendments and Implementation Structure:

- I. Organizational Structure
 1. Permit Facilitation Office (PFO)
 - Primary Role: Oversee the facilitated application process, ensure inter-agency coordination, monitor compliance with deadlines and manage the digital portal.
 2. Staffing Requirements

- Permitting Coordinator (1.0 FTE): Responsible for coordinating between state, federal and county agencies, ensuring timely notifications and managing facilitated application review teams.
- Digital Systems Manager (1.0 FTE): Oversee the development, implementation and maintenance of the digital portal, ensuring user accessibility and system security.
- Administrative Support (0.5 FTE): Assist with documentation, communication and logistical support for the PFO.

3. Facilitated Application Review Teams

- Comprised of designated representatives from relevant state, federal and county agencies, along with the applicant.
- Teams operate under joint agreements outlining responsibilities, timelines and processes.

II. Resources Needed

1. Digital Portal Development

- Platform Requirements:
 - i. User-friendly interface for applicants and agencies.
 - ii. Document upload and management capabilities.
 - iii. Real-time application tracking and status updates.
 - iv. Automated notifications and deadline reminders.
 - v. Secure access with role-based permissions.
- Budget:
 - i. Initial Development: \$150,000
 - ii. Annual Maintenance & Upgrades: \$50,000

2. Technology and Equipment

- Hardware:
 - i. High-performance computers for staff.
 - ii. Secure servers for data storage.
 - iii. Backup and recovery systems.
- Software:
 - i. Project management tools.
 - ii. Communication platforms (e.g., video conferencing, instant messaging).
 - iii. Cybersecurity software.
- Estimated Cost: \$50,000 (initial setup)

3. Training and Capacity Building

- Workshops and seminars for staff and agency representatives on the new processes and digital portal usage.

- Ongoing professional development on best practices in permit facilitation and inter-agency coordination.
- Estimated Cost: \$20,000 annually

4. Operational Budget

- Office supplies, travel expenses for inter-agency meetings and contingency funds for unforeseen expenses.
- Estimated Cost: \$30,000 annually

III. Implementation Timeline

1. Phase 1: Planning and Development (July 2025 – July 2027)

- i. Hire staff for the Permit Facilitation Office.
- ii. Develop and test the digital portal.
- iii. Establish criteria for low-impact projects.
- iv. Draft standard operating procedures and joint agreement templates.

2. Phase 2: Pilot and Training (July 2027 – July 2028)

- i. Launch pilot program with selected projects.
- ii. Conduct training sessions for staff and agency representatives.
- iii. Collect feedback and make necessary adjustments to the portal and processes.

IV. Performance Metrics

1. Key Performance Indicators (KPIs)

- i. Average time taken from application submission to permit issuance.
- ii. Number of applications processed within statutory deadlines.
- iii. Reduction in backlog of permit applications.
- iv. Applicant satisfaction scores from surveys.

The proposed amendments and resources needed aim to strengthen the intent of HB 1405, HD1, by ensuring DBEDT has the necessary structure and resources to implement the facilitated application process effectively. By leveraging technology, enhancing inter-agency coordination and setting clear deadlines, we can significantly reduce permitting delays and support economic growth in Hawai'i.

Mahalo for the opportunity to provide testimony with the proposed amendments.



Hawaii Operating Engineers Industry
Stabilization Fund PAC
2181 Lauwiliwili Street
Kapolei, HI 96707
Phone: (808) 845-6221
Website: www.hoeisf.com

February 24, 2025

House Committee on Finance
Representative Kyle Yamashita, Chair
Representative Jenna Takenouchi, Vice Chair

TESTIMONY IN SUPPORT
House Bill 1405 HD1, Relating to Permits

Aloha Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee:

Thank you for the opportunity to submit testimony on behalf of the Hawaii Operating Engineers Industry Stabilization Fund Political Action Committee (HOEISF PAC). The HOEISF PAC is a non-profit labor management organization whose core mission is to represent the interests of the Operating Engineers Local Union No. 3 and Hawaii's leading contractors and ensure that the industry is thriving and sustainable for the future.

We are writing **in support of HB1405 HD1**, which establishes specific deadlines within the facilitated application process and requires the Department of Business, Economic Development, and Tourism to establish certain resources and processes to help streamline permit applications.

One of the greatest barriers to growth and development in our state is a permitting process that can often cause backlogs in applications and costly delays when starting much needed projects like building affordable housing and repairing key infrastructure. The HOEISF PAC supports HB1405 HD1 because it seeks to establish a more efficient permitting process by setting deadlines for agencies to provide estimated timelines for issuing permits, which not only expedites the process but provides applicants with greater predictability for planning and execution. In addition, the creation of a single digital portal that allows applicants to upload documents and track the status of applications in real time should create greater efficiency by streamlining communication and reducing paperwork.

Thank you for the opportunity to provide our testimony in support and we urge you to pass this measure.

February 24, 2025

The Honorable Kyle T. Yamashita, Chair

House Committee on Finance

State Capitol, Conference Room 308 & Videoconference

RE: House Bill 1405, HD1, Relating to Permits

HEARING: Monday, February 24, 2025, at 10:00 a.m.

Aloha Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee:

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawaii and its over 10,000 members. HAR **supports** House Bill 1405, HD1, 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. Establishes and appropriates funds for positions within the Department of Business, Economic Development, and Tourism. Effective 7/1/3000.

The facilitated application process was designed for the Department of Business, Economic Development, and Tourism ("DBEDT") to serve as the lead agency for projects requiring state, county, or federal permits. The purpose was to simplify the application process by coordinating review to help reduce delays and duplication of efforts. However, any delays or backlogs in the current process can significantly increase project costs and create uncertainty for residential and commercial projects. As such, efforts to help streamline the facilitated permitting process can help with Hawaii's housing challenges.

Mahalo for the opportunity to provide testimony on this measure.

Written Statement of
Jeannine Souki
Senior Manager – Government & Regulatory Affairs

HOUSE COMMITTEE ON FINANCE
February 24, 2025, 10:00 AM
State Capitol, Conference Room 308, Videoconference

SUPPORT FOR:

H.B. 1405 H.D. 1 – RELATING TO PERMITS

To: Chair Yamashita, Vice-Chair Takenouchi, and Members of the Committee
Members of the Committee

Re: Testimony providing support for HB1405, HD1

Aloha Honorable Chair, Vice-Chair, and Committee Members:

Thank you for the opportunity to provide testimony in support of HB1405, HD1, which aims to streamline the permitting process in Hawai‘i to reduce delays and establish greater efficiencies for building infrastructure and other critical projects.

Hawaiian Telcom supports the intent of this measure, as Hawai‘i’s state and county permitting processes are more challenging, time-consuming, and costly than those in other states, causing significant delays to important projects. This bill seeks to establish clear timelines for agencies to respond to applications, create an online permitting portal, and provide a fast-track process for low-impact projects.

Since Congress approved \$65 billion in 2021 to provide states and U.S. territories with federal grants to close the digital divide through the Infrastructure Investment and Jobs Act (“IIJA”) and Broadband Equity, Access, and Deployment (“BEAD”) programs, the State of Hawai‘i has been awarded over \$300 million in federal funding. This funding will be matched with state and private sector investments to build broadband infrastructure and deliver high-speed internet services across the state. Additionally, Hawaiian Telcom was one of 36 projects awarded a highly competitive federal Middle Mile Grant to build a new interisland broadband fiber cable connecting Kaua‘i, O‘ahu, Moloka‘i, Maui, and Hawai‘i. These federal projects have in common a low-impact to our island’s geography and share a highly defined timeline for delivering critical broadband services while contending with the current complexities of our state and intergovernmental permitting processes. Streamlining regulations, including permitting, will help stimulate and maximize private and public sector investments in the planned construction of fiber-enabled broadband networks.

While these federal dollars provide a temporary infusion of funding for broadband infrastructure and services, the investments will yield significant economic and technological benefits for our state for generations. They will enhance the capacity and resiliency of our broadband networks and extend broadband connectivity throughout the state. Hawaiian Telcom applauds initiatives like this to improve the coordination of our permitting processes.

Thank you for the opportunity to support HB1405, HD1.





**Testimony to the House Committee on Finance
Representative Kyle T. Yamashita, Chair
Representative Jenna Takenouchi, Vice Chair**

**Monday, February 24, 2025, at 10:00AM
Conference Room 308 & Videoconference**

RE: HB1405 HD1 Relating to Permits

Aloha e Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee:

My name is Sherry Menor, President and CEO of the Chamber of Commerce Hawaii ("The Chamber"). The Chamber supports House Bill 1405 House Draft 1 (HB1405 HD1), 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. Establishes and appropriates funds for positions within the Department of Business, Economic Development, and Tourism.

HB1405 HD1 aligns with our 2030 Blueprint for Hawaii: An Economic Action Plan, specifically under the policy pillar for Business Services. This bill promotes policies that drive economic growth, enhance workforce opportunities, and improve the quality of life for Hawaii's residents.

Hawaii's permit application process is often slow and complex, causing delays in housing, industrial, and commercial projects that are vital to economic growth. These inefficiencies discourage investment and slow development across the state. To address this, the legislature is implementing deadlines within the facilitated application process, requiring agencies to submit estimated processing timelines, and improving coordination between state and county authorities. The Department of Business, Economic Development, and Tourism (DBEDT) will oversee the process and submit annual reports with recommendations for further improvements, ensuring accountability and ongoing efficiency enhancements.

To modernize the system, DBEDT will establish a digital portal for real-time tracking of permits, create a fast-track process for low-impact projects, and implement a permit-by-rule system allowing licensed design professionals to expedite approvals. Funding will be allocated to support staffing and technology upgrades. The Chamber supports this initiative as a critical step toward reducing bureaucratic delays, promoting business growth, and accelerating development to meet Hawaii's housing and infrastructure needs.

The Chamber of Commerce Hawaii is the state's leading business advocacy organization, dedicated to improving Hawaii's economy and securing Hawaii's future for growth and opportunity. Our mission is to foster a vibrant economic climate. As such, we support initiatives and policies that align with the 2030 Blueprint for Hawaii that create opportunities to strengthen overall competitiveness, improve the quantity and skills of available workforce, diversify the economy, and build greater local wealth.

We respectfully ask to pass House Bill 1405 House Draft 1. Thank you for the opportunity to testify.

Feb. 24, 2025, 10 a.m.
Hawaii State Capitol
Conference Room 308 and Videoconference

To: House Committee on Finance
Rep. Kyle T. Yamashita, Chair
Rep. Jenna Takenouchi, Vice-Chair

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

RE: HB1405 HD1 — RELATING TO PERMITS

Aloha Chair Yamashita, Vice-Chair Takenouchi and other members of the Committee,

The Grassroot Institute of Hawaii **supports** [HB1405 HD1](#), which would impose 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 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



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TO: Committee on Finance
FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: February 24, 2025
TIME: 10am

RE: HB1405 HD1 Relating to Permits
Position: Support

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, manufacturers and distributors of food and beverage related products in the State of Hawaii.

HFIA is in support of this measure. As the measure notes a backlog in permit applications can lead to delays in housing, industrial, and commercial projects, stifling economic development in the State. Businesses within our food supply chain, like other sectors in Hawaii have dealt with the negative consequences of the backlog in permitting. Streamlining the permitting process will have a range of positive impacts for our state. Specifically, our members have reported that permitting delays is one of the biggest impediments to the installation of energy generation and storage systems. Fixing the permitting process can enable our food systems and our state move more efficiently towards resiliency and sustainability.

We encourage the Committee to pass this measure and we thank you for the opportunity to testify.