JOSH GREEN, M.D. GOVERNOR

SYLVIA LUKE LT. GOVERNOR



STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION 677 QUEEN STREET, SUITE 300
HONOLULU, HAWAII 96813
FAX: (808) 587-0600

Statement of **DEAN MINAKAMI**

Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY

February 07, 2025 at 10:00 a.m. State Capitol, Room 423

In consideration of H.B. 1406
RELATING TO GOVERNMENT PROCEDURES.

Chair Ilagan, Vice Chair Hussey, and members of the Committee.

HHFDC <u>supports</u> HB 1406, which establishes the Intergovernmental Task Force for Permit Simplification to identify actions taken, challenges encountered, and legislative measures necessary to facilitate, expedite, and coordinate state and intergovernmental development permit processes. It also appropriates funds.

The permitting process is often time-consuming due to the understaffing of resource-constrained agencies, the complexity and multiplicity of requirements, the sequential and contingent nature of reviews, and the potential for legal challenges, among other things. The entitlement and permitting process can take over five years, creating significant delays and uncertainty for housing projects, increasing carrying costs and capital market risks, and deterring investment in affordable housing.

HHFDC is named as a member of the task force and supports efforts to streamline the permitting process across various government agencies.

Thank you for the opportunity to testify on this bill.





DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI A HO'OMĀKA'IKA'I SYLVIA LUKE LT. GOVERNOR JAMES KUNANE TOKIOKA

DANE K WICKER

DANE K. WICKER
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804 Web site: dbedt.hawaii.gov

Telephone: (808) 586-2355 Fax: (808) 586-2377

Statement of JAMES KUNANE TOKIOKA Director

Department of Business, Economic Development, and Tourism before the

HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT AND TECHNOLOGY

Friday, February 7, 2025 10:00 AM State Capitol, Conference Room 423

In consideration of HB 1406 RELATING TO GOVERNMENT PROCEDURES.

Chair Ilagan, Vice Chair Hussey, and members of the Committee:

The Department of Business, Economic Development and Tourism (DBEDT) supports House Bill 1406 which seeks to establish the Intergovernmental Task Force for Permit Simplification within the department. This initiative is a significant step toward streamlining the permitting process across various government agencies in Hawaii.

The current permitting system can often be complex and time-consuming, posing challenges for businesses and individuals alike. By creating this task force, HB 1406 aims to identify inefficiencies and develop strategies to simplify and expedite the permitting process. This will not only enhance governmental efficiency but also foster a more business-friendly environment, encouraging economic growth and development within our state.

HB 1406 (ECD) February 7, 2025 Page 2

Moreover, a simplified permitting process can lead to increased transparency and accessibility, ensuring that all stakeholders have a clear understanding of requirements and procedures. This is particularly beneficial for small businesses and entrepreneurs who may lack the resources to navigate a convoluted system.

HB 1406 represents a proactive approach to improving our state's permitting system. I respectfully urge the committee to pass this bill as it will contribute to a more efficient, transparent and supportive environment for businesses and residents in Hawai'i.

Mahalo for the opportunity to support this measure.

JOSH GREEN, M.D. GOVERNOR

SYLVIA LUKE

Telephone: (808) 586-2020

Facsimile: (808) 586-2066



STATE OF HAWAII **PUBLIC UTILITIES COMMISSION** 465 S. KING STREET, #103

HONOLULU, HAWAII 96813

LEODOLOFF R. ASUNCION, JR. CHAIR

> NAOMI U. KUWAYE COMMISSIONER

COMMISSIONER

Website: puc.hawaii.gov E-mail: puc@hawaii.gov

Testimony of the Public Utilities Commission

To the House Committee on Economic Development & Technology

> February 7, 2025 10:00 a.m.

Chair Ilagan, Vice Chair Hussey, and Members of the Committee:

Measure: H.B. No. 1406

RELATING TO GOVERNMENT PROCEDURES. Title:

Position:

The Public Utilities Commission ("Commission") supports this measure and offers the following comments for consideration.

Comments:

The Commission appreciates the intent of this measure to streamline state and intergovernmental permit processes by convening a task force for permit simplification.

The Commission supports inter-agency evaluation of solutions intended to expedite permit processes. As such, the Commission is willing and able to commit staff time to attend and participate in this task force in the capacity outlined in the bill.

Thank you for the opportunity to testify on this measure.



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

HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY

February 7, 2025, 10 AM Conference Room 423, Hawai'i State Capitol

SUPPORT FOR:

H.B. 1406 – RELATING TO GOVERNMENT PROCEDURES

To: Rep. Greggor Ilagan, Chair

Rep. Ikaika Hussey, Vice Chair

Members of the Committee on Economic Development & Technology

Re: Testimony providing support for HB1406

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

Thank you for the opportunity to provide testimony in support of HB1406, which aims to streamline the state and intergovernmental development permitting process.

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 address these onerous procedures by establishing a task force within the Department of Business, Economic Development, and Tourism (DBEDT) to streamline permitting and propose legislative initiatives for a more efficient, transparent, and user-friendly experience, ultimately boosting economic development in our state.

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, Mau'i, and Hawai'i. These federal projects share a highly defined timeline for delivering services, which must contend with the 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 to come. They will enhance the capacity and resiliency of our broadband networks and extend broadband connectivity throughout the state.

Hawaiian Telcom supports initiatives like this to improve state and intergovernmental development permitting processes. We stand ready to work with your Committee, the DBEDT, other state and county agencies, and stakeholders to find solutions to long-standing issues and enable greater economic competitiveness within the state.

Thank you for the opportunity to support HB1406.



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TO: Committee on Economic Development and Technology

FROM: HAWAII FOOD INDUSTRY ASSOCIATION

Lauren Zirbel, Executive Director

DATE: February 7. 2025

TIME: 10am

RE: HB1406 Relating to Government Procedures

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. Many businesses, including those in the food industry, have endured unnecessary delays and added expenses as a result of the permitting process. This includes businesses like food and drink manufacturers that want to build new facilities and expand production, and food retailers that want to install energy generation and storage systems. Fixing the permitting process will promote economic growth and diversification, and have other positive impacts for businesses and our state. We encourage the Committee to pass this measure and we thank you for the opportunity to testify.

HB-1406

Submitted on: 1/29/2025 9:57:52 PM

Testimony for ECD on 2/7/2025 10:00:00 AM

Submitted	l By	Organization	Testifier Position	Testify
Jacob Wie	ncek	Individual	Support	Written Testimony Only

Comments:

Aloha Committee Members,

Hawaii is a regulatory OVERBURDENED state. We are consistently ranked year after year as being one of the most UNCOMPETITIVE states for business in the country. Lengthy, complex, and burdensome permitting requirements unnecessarily drive up costs on middle and working class families. In a state facing a cost of living crisis, this is TOTALLY UNACCEPTABLE!

I strongly urge this Committee to SUPPORT this bill!

<u>HB-1406</u> Submitted on: 1/30/2025 2:18:51 PM

Testimony for ECD on 2/7/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ann Chung	Individual	Support	Written Testimony Only

Comments:

I am in support of this bill.



745 Fort St. Mall 17th Floor Honolulu, HI 96815

808-521-9500 NFIB.com

February 1, 2025

TO: Rep. Greggor Iligan, Chair
Rep. Ikaika Hussey, Vice Chair
Members of the Economic Development
and Technology

FR: Michael Iosua, State Director

NFIB, Hawaii Chapter

RE: **SUPPORT** OF HB 1406 – RELATING TO GOVERNMENT PROCEDURES

Hearing date: February 7, 2025, at 10:00 AM

Aloha Chair Iligan. Vice Chair Hussey and members of the committee,

Mahalo for the opportunity to submit testimony on behalf of NFIB's Hawaii Chapter in **SUPPORT** of HB 1406 – RELATING TO GOVERNMENT PROCEDURES. NFIB is a nonprofit, nonpartisan, and member-driven organization exclusively dedicated to small and independent businesses. With members in all four counties, NFIB's Hawaii chapter advocates on issues that affect Hawaii's small and independent business owners.

HB 1406 would establish the Intergovernmental Task Force for Permit Simplification under the Department of Business, Economic Development, and Tourism (DBEDT). This initiative is a critical step toward streamlining permitting processes, reducing bureaucratic inefficiencies, and ensuring timely approvals for projects that drive economic growth in Hawaii. By bringing together representatives from key state and county agencies, and our congressional delegation, the task force will facilitate improved coordination and communication in permit processing.

Many important projects in Hawaii currently face unnecessary delays due to repetitive or unnecessary permitting requirements. A centralized task force will help to identify and address these inefficiencies, as well as provide recommendations for improving the processes, leading to faster and more predictable permitting timelines. Expediting the permit process will attract investment, create jobs, and encourage business growth, benefiting both entrepreneurs and the broader economy. Additionally, the task force will help to ensure that regulatory

improvements will not jeopardize procedures implemented to protect Hawaii's natural and cultural heritage.

Improving the balance between necessary regulations and eliminating inefficiencies is crucial to the stability of Hawaii's economy and improving opportunities for Hawaii's small businesses and families. NFIB Hawaii strenuously urges the committee to pass HB 1406 for the reasons stated above. Mahalo for your consideration.



February 7, 2025

The Honorable Greggor Ilagan, Chair

House Committee on Economic Development & Technology State Capitol, Conference Room 423 & Videoconference

RE: House Bill 1405, Relating to Permits

HEARING: Friday, February 7, 2025, at 10:00 a.m.

Aloha Chair Ilagan, Vice Chair Hussey, 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, which establishes the Intergovernmental Task Force for Permit Simplification to identify actions taken, challenges encountered, and legislative measures necessary to facilitate, expedite, and coordinate state and intergovernmental development permit processes. Appropriates funds.

Housing is impacted by numerous state-level permits, such as Special Management Area permits, Land Use Commission district boundary amendments, individual wastewater system permits from the Department of Health, State Historic Preservation Division reviews for historic properties, approvals from the Hawaii Housing Finance and Development Corporation for affordable housing projects, and permits from the Hawaii Community Development Authority.

At the county level, according to the 2024 UHERO's Hawaii Housing Factbook¹, Hawaii's permitting process takes nearly three times longer than in other states, despite efforts by counties to improve efficiency. Processing times for single-family home permits on average range from 141 days in Hawaii County to 315 days in Kauai County. For multifamily housing projects, approvals take even longer—318 days in Hawaii County and up to 427 days in Kauai County. In addition, the City & County of Honolulu faces a significant backlog, further delaying both residential and commercial projects.² These delays can significantly increase project costs, create uncertainty, and slow or disincentivizes the construction of much needed housing. As time passes, rising interest

² Blair, Marcel. (December 12, 2023). "Honolulu's Building Permit Delays: A Nightmare Decades in the Making." Honolulu Civil Beat. https://www.civilbeat.org/2023/12/honolulus-building-permit-delays-a-nightmare-decades-in-the-making/.



¹ UHERO. (May 20, 2024). The Hawai'i Housing Factbook. https://uhero.hawaii.edu/wp-content/uploads/2024/05/HawaiiHousingFactbook2024.pdf





808-733-7060



1259 A'ala Street, Suite 300 Honolulu, HI 96817



rates, increasing material or labor costs, and other market factors can render previously viable projects financially unfeasible.

As such, HAR supports efforts to streamline, expedite, and improve efficiency in the various permitting process to help address Hawaii's housing challenges.

Mahalo for the opportunity to provide testimony on this measure.



HB-1406

Submitted on: 2/3/2025 8:47:01 AM

Testimony for ECD on 2/7/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
David Kurohara	Individual	Support	Written Testimony Only

Comments:

I support HB1406 which establishes a government procedures and intergovernmental task force for permit simplification, to evaluate speeding up permitting process



Hawai'i Island Chamber of Commerce

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Irene Yamanaka Tracie Yoshimoto TESTIMONY BEFORE THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY

HB 1406 - Relating to Government Procedures — IN SUPPORT

Friday, February 7, 2025 10:00 AM

Aloha Chair Greggor Ilagan, Vice Chair Ikaika Hussey, and Members of the Committee,

My name is Carla Kuo, and I am the Executive Officer of the Hawai'i Island Chamber of Commerce, representing over 300 businesses and individual members, primarily on the East side of Hawai'i Island. I am writing to express the Chamber's support for HB 1406, which establishes the Intergovernmental Task Force for Permit Simplification. This task force will play a crucial role in identifying actions taken, challenges encountered, and legislative measures needed to facilitate, expedite, and coordinate state and intergovernmental development permit processes.

Simplifying and streamlining the permitting process will have a profound positive impact not only on the business community but also on the broader community. For many businesses, it will reduce unnecessary delays, lower operational costs, and create a more predictable environment for investment and growth. For the wider community, expedited development processes mean faster delivery of critical infrastructure, housing, and community projects that enhance quality of life, create jobs, and stimulate local economic growth. By fostering a more efficient and collaborative permitting system, HB 1406 will help build a stronger, more resilient Hawai'i for everyone.

Mahalo for the opportunity to testify on behalf of the Hawai'i Island Chamber of Commerce.

Sincerely,

Carla Kuo Executive Officer

Hawai'i Island Chamber of Commerce



Testimony to the House Committee on Economic Development & Technology (ECD) Representative Greggor Ilagan, Chair Representative Ikaika Hussey, Vice Chair

Friday, February 7, 2025, at 10:00AM Conference Room 423 & Videoconference

RE: HB1406 Relating to Government Procedures

Aloha e Chair Ilagan, Vice Chair Hussey, 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 1406 (HB1406), which establishes the Intergovernmental Task Force for Permit Simplification to identify actions taken, challenges encountered, and legislative measures necessary to facilitate, expedite, and coordinate state and intergovernmental development permit processes.

HB1406 aligns with our 2030 Blueprint for Hawaii: An Economic Action Plan, specifically under the policy pillar for Small Business. This bill promotes policies that drive economic growth, enhance workforce opportunities, and improve the quality of life for Hawaii's residents.

Hawaii's lengthy permitting process slows development and economic growth. This bill establishes an Intergovernmental Task Force for Permit Simplification within DBEDT to identify challenges, streamline approvals, and propose legislative solutions. The task force, composed of key state agencies and county planners, will review procedures, recommend reforms, and submit annual reports to the legislature.

By improving coordination and removing bottlenecks, this bill makes permitting more transparent and predictable. Faster approvals will boost housing, infrastructure, and business projects, benefiting residents and the economy. With dedicated funding, the task force will drive meaningful improvements. The Chamber supports this bill to reduce bureaucracy, promote development, and create a more business-friendly regulatory process.

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 1406. Thank you for the opportunity to testify.

HB-1406

Submitted on: 2/6/2025 12:03:34 AM

Testimony for ECD on 2/7/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jordan Odo	Individual	Support	Written Testimony Only

Comments:

Chair Ilagan, Vice Chair Hussey, and members of the Committee,

I submit this testimony in **SUPPORT** of HB 1406, which establishes an intergovernmental task force to research and propose solutions to simplify the permitting process.

The lengthy permit review process has consistently been identified by businesses, housing developers, and construction companies as a major obstacle to economic development and housing projects in Hawai'i. Delays in a project's approval process can increase development costs and tie up precious capital – significant financial risks that often deter future investment in Hawai'i. If we do not fix the delays today, our state will not be able to (a) pursue the economic diversification and development it desires, (b) lower the cost of living for its residents, and (c) keep our kamaaina here.

I am strongly in favor of holistically reviewing the permit review process and finding ways to fix what has become a systemic problem. The proposed task force would gather the experts from state and county governments into the same room to hammer out solutions. I would also suggest that the task force collaborate with private sector stakeholders, as receiving feedback from the users of the system may provide different perspectives and suggestions for improvement.

Thank you for allowing me to submit my testimony.

Jordan Odo



Charter Communications Testimony of Rebecca Lieberman, Director of Government Affairs

HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY

Hawaii State Capitol Friday, February 7, 2025

SUPPORT FOR H.B. 1406 – RELATING TO GOVERNMENT PROCEDURES

Chair Ilagan, Vice Chair Hussey, and Members of the Committee.

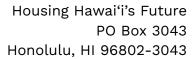
Thank you for the opportunity to testify in support of H.B. 1406, which establishes an intergovernmental task force for permit simplification to streamline development permit processes.

As the largest broadband provider in the state, Charter understands the challenges businesses face due to complex and time-consuming permitting processes. Streamlining these procedures will not only benefit economic development but also accelerate the deployment and repair of critical broadband infrastructure, ensuring more communities have access to high-speed internet. Charter believes that every Hawaii resident should have reliable access to the Internet. An efficient permitting process will allow us to continue to help bring the benefits of broadband and access to the internet to those who need it most without unnecessary delays. Additionally, this measure will also support the ongoing recovery efforts in Lahaina by expediting permitting and infrastructure development, ensuring that the community can rebuild efficiently with improved connectivity and essential services.

We appreciate the bill's focus on collaboration across government agencies to identify and address inefficiencies. Charter looks forward to working with the task force to improve connectivity across the state.

In 2023, Charter extended its network to reach an additional 9,000 homes and small businesses in Hawaii, investing \$96 million across the state. Charter participated in the FCC's Emergency Broadband Benefit Program (EBB) and Affordable Connectivity Program (ACP), which helped connect over 59,000 eligible households in Hawaii with high-speed broadband. Broadband internet access is more important than ever and Charter offers a variety of affordable high-speed internet packages to meet all the connectivity and budget needs of our customers. With Spectrum Internet Assist, qualifying low-income families and seniors can receive high-speed internet for only \$15 per month.

Mahalo for the opportunity to testify in support of H.B. 1406.





February 7, 2025

TO: Chair Ilagan and members of the House Committee on Economic Development & Technology

RE: Relating to Government Procedures

Dear Chair Ilagan and Committee Members,

Housing Hawai'i's Future is a nonprofit dedicated to creating opportunities for Hawai'i's next generation by ending the workforce housing shortage.

We support HB 1406.

At the state level, inefficient and/or antiquated permitting processing systems across departments create delays, fostering distrust and impeding the realization of affordable workforce housing projects.

The Intergovernmental Task Force for Permit Simplification will convene relevant agencies and branches across state government to engage in seemingly mundane-but fundamentally crucial-conversations about their permitting processes and procedures.

If it is not already clear to those stakeholders outlined in HB1406, their roles are critically interconnected, if not conflicting, for those people navigating their permitting policies and procedures.

Fewer delays, greater efficiency, and increased government transparency are needed to increase affordable workforce housing inventory across our islands. The task force will identify obstacles and provide tangible policy solutions for the State Legislature's consideration.

Let's start this conversation and advance HB 1406.

Thank you,

Lee Wang Executive Director Housing Hawaiʻi's Future

lee@hawaiisfuture.org

Perry Arrasmith
Director of Policy
Housing Hawai'i's Future
perry@hawaiisfuture.org

HB-1406

Submitted on: 2/6/2025 9:59:45 AM

Testimony for ECD on 2/7/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Douglass Adams	Individual	Support	Written Testimony Only

Comments:

Chair Ilagan, Vice Chair Hussey, and Members of the Committee on Economic Development and Technology:

Thank you for the opportunity to testify in STRONG support of HB1406, which establishes the Intergovernmental Task Force for Permit Simplification to identify actions taken, challenges encountered, and legislative measures necessary to facilitate, expedite, and coordinate state and intergovernmental development permit processes. This effort will build on initiatives already underway in the Counties, with the intent of streamlining business processes for the purpose of revitalizing and diversifying the state's economy.

I encourage the Committee to pass HB1406 and move it to the Committee on Finance with a favorable recommendation.

respectfully,

Douglass Adams

Hilo, Hawaii