STAND. COM. REP. NO. 1117

Honolulu, Hawaii

## MAR 1 8 2025

RE: H.B. No. 1406

H.D. 1 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Sir:

Your Committee on Energy and Intergovernmental Affairs, to which was referred H.B. No. 1406, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO GOVERNMENT PROCEDURES,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish the Intergovernmental Task Force for Permit Simplification within the House of Representatives; and
- (2) Appropriate funds.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Housing Finance and Development Corporation; Hawaii Association of REALTORS; Grassroot Institute of Hawaii; Hawaiian Telcom; Chamber of Commerce Hawaii; Housing Hawaii's Future; Hawaii Food Industry Association; Maui Chamber of Commerce; and Charter Communications.

Your Committee received comments on this measure from the Public Utilities Commission, Hawaii State Energy Office, and Pacific Resource Partnership.

Your Committee finds that the State's permitting process takes nearly three times longer than in other states, causing delays and challenges for businesses and individuals alike. These delays can significantly increase project costs, create uncertainty, and slow or disincentivize the construction of much needed housing. Your Committee notes that rising interest rates, increasing material and labor costs, and other market factors can render previously viable projects financially infeasible as delays continue. The Intergovernmental Task Force for Permit Simplification established by this measure can address these issues by identifying obstacles, proposing solutions, and creating a more predictable and transparent permitting system in the State.

Your Committee has amended this measure by:

- (1) Adding a representative from each of the following bodies to the membership of the Intergovernmental Task Force for Permit Simplification:
  - (A) The Hawaii State Senate; and
  - (B) The Hawaii State Energy Office;
- (2) Making it effective upon its approval; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that this measure contains an unspecified appropriation amount. Should your Committee on Ways and Means choose to deliberate on this measure, your Committee respectfully requests that it consider inserting an appropriation amount of \$120,000 for the staffing and administrative costs of Intergovernmental Task Force for Permit Simplification.

As affirmed by the record of votes of the members of your Committee on Energy and Intergovernmental Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1406, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1406, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

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Respectfully submitted on behalf of the members of the Committee on Energy and Intergovernmental Affairs,

GLENN WAKAI, Chair

## The Senate Thirty-Third Legislature State of Hawai'i

## Record of Votes Committee on Energy and Intergovernmental Affairs EIG

Bill / Resolution No.:*	Committee Referral:			Date:		
HB1404HD1	EIG, I	NAM	3	3/11/25		
The Committee is reconsidering its previous decision on this measure.  If so, then the previous decision was to:						
The Recommendation is:						
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313						
Members		Aye	Aye (WR)	Nay	Excused	
WAKAI, Glenn (C)						
CHANG, Stanley (VC)		<b>/</b>				
DECOITE, Lynn					V	
RICHARDS, III, Herbert M. "Tim"		<u> </u>				
FEVELLA, Kurt					<b>✓</b>	
				·		
TOTAL		3			2	
Recommendation:  Adopted  Not Adopted						
Chair's or Designee's Signature:						
<b>Distribution:</b> Original File with Committee Re	Yellow eport Clerk's Office Dr		Pink Drafting Agency	Goldenrod cy Committee File Copy		

\*Only one measure per Record of Votes