

Economic Revitalization Taskforce



Dean I. Hazama

Deputy Director
Department of Commerce and
Consumer Affair

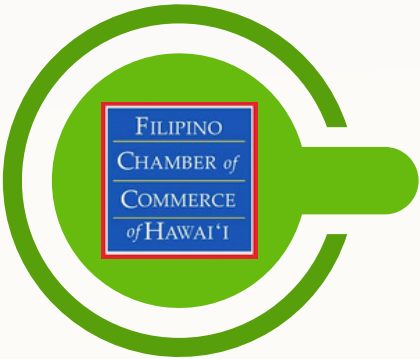


Tina Yamaki
President

Retail Merchants of Hawai'i

Sharon Z. Banaag

Executive Assistant
Office of the Mayor, County of
Maui



Constancio Paranal

Representative
Filipino Chamber of Commerce
of Hawai'i

Garth Yamanaka

Representative
Small Business Regulatory
Review Board



Sherry Menor- McNamara

CEO
Chamber of Commerce Hawai'i

**Regulation
Permitted Interaction
Group (PIG)
Members**

Alec Sou

President & General Manager
Aloun Farms



Lauren Zirbel

Executive Director
Hawai'i Food Industry Association

Roseann Freitas

CEO
Building Industry Association
of Hawai'i



Jacob Aki

Public Affairs Manager
Alaska/ Hawaiian Airlines

PERCENTAGE OF RESPONSES BY INDUSTRY



Real Estate

This was the highest concentration at 31.7%



Healthcare

6.7%



Insurance

3.3%



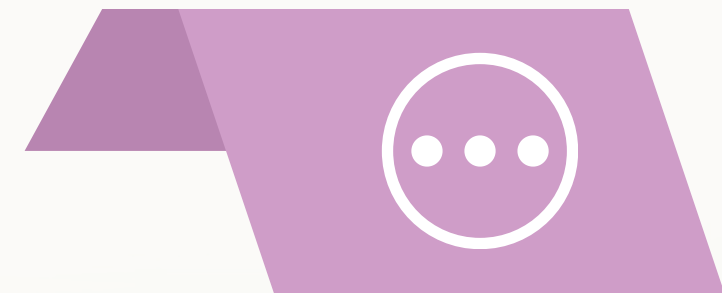
Construction

11.7%



Retail

6.7%



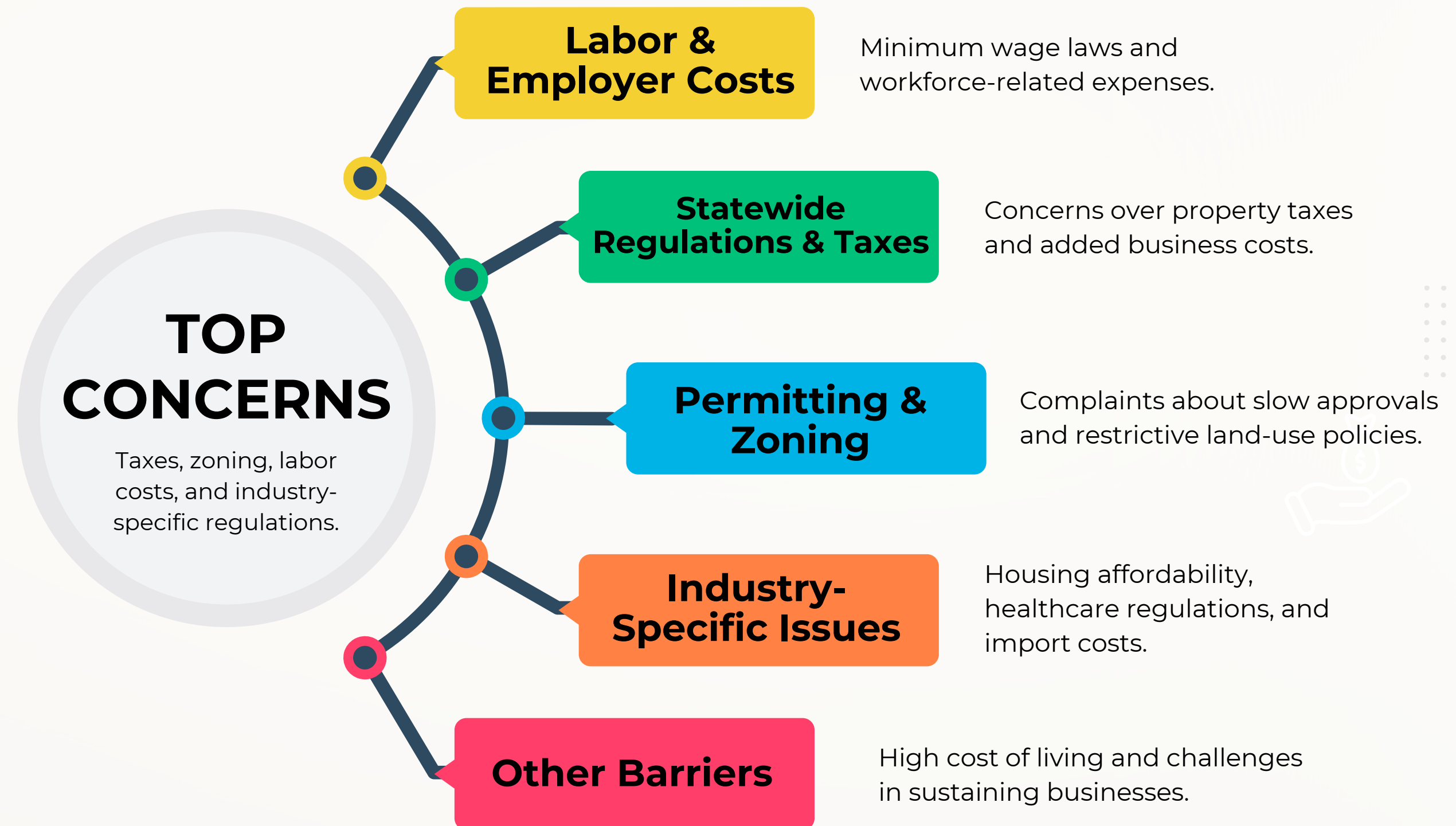
Other

Non Profits, Entertainment,
Finance, Food & Beverage
39.9%

Survey Data Summary

- **Total Responses:** 59
- **Solutions & Impact:** Respondents believe addressing these issues will improve affordability, business growth, and economic sustainability.
- **Additional Comments:** Many highlighted frustration with regulatory delays and sought more proactive solutions.

Key Issues Identified:



TOP PRIORITY ISSUES ACROSS INDUSTRIES

- **Taxes & Financial Burdens** – Many respondents expressed concerns over excessive taxation, particularly in real estate and business operations.
- **Housing Affordability & Availability** – The most common issue in real estate-related industries, emphasizing high costs, zoning restrictions, and regulatory delays.
- **Permitting & Bureaucracy** – Complaints about slow permitting processes and excessive red tape delaying development and business operations.
- **Industry-Specific Challenges** – Healthcare respondents noted regulatory hurdles affecting emergency services and facility transfers.

SECOND PRIORITY ISSUES

- **Loan Regulations & Interest Rates** – Concerns about financial barriers to homeownership due to restrictive lending practices.
- **Workforce & Employment Costs** – Businesses worried about labor laws, staffing shortages, and minimum wage increases affecting operations.

THIRD PRIORITY ISSUES

- **Government Regulations & Ethics** – Some respondents cited excessive government intervention and ethical concerns within industries.
- **Inventory Shortages & Market Constraints** – Supply chain issues contributing to affordability challenges.
- **Healthcare Administration Issues** – Delays in regulatory approvals affecting service delivery in healthcare.

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FOURTH PRIORITY ISSUES

- **State Self-Sufficiency & Economic Stability** – Concerns about Hawaii's reliance on imports and overall economic resilience.
- **Regulatory Staffing Issues** – Lack of personnel in government offices slowing down approvals and enforcement.

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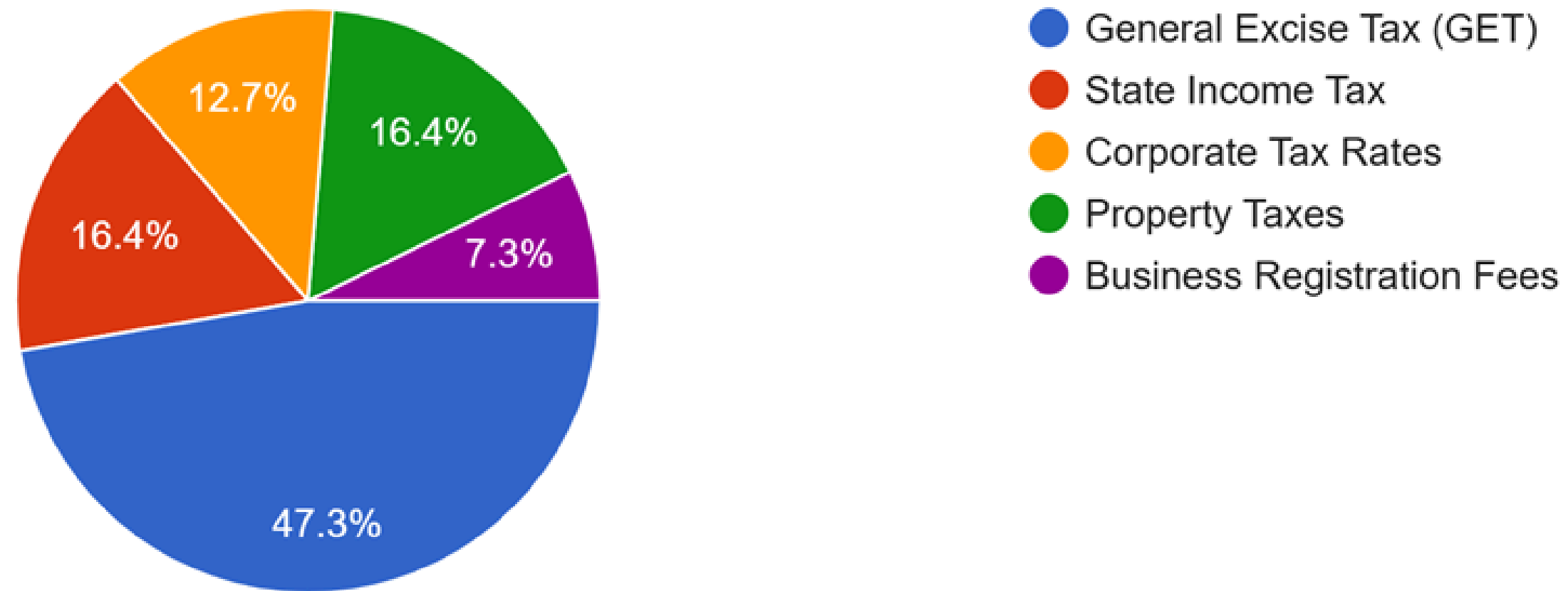
FIFTH PRIORITY ISSUES

- **Business Sustainability & Economic Confidence** – Respondents expressed concerns about consumer confidence, spending ability, and the long-term stability of their industries.
- **Infrastructure & Public Services** – Some responses mentioned the need for improved infrastructure, particularly in areas affecting business operations and quality of life.

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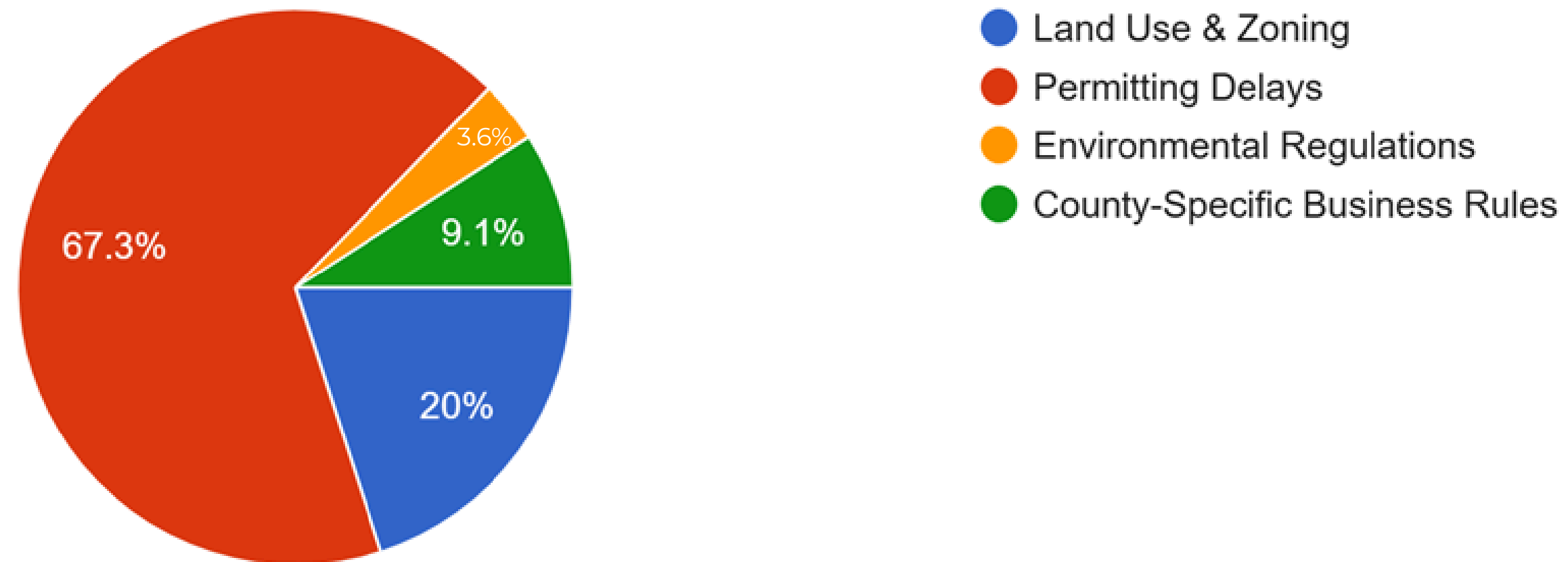
Please select your biggest concern regarding Statewide Regulations & Taxes

55 responses



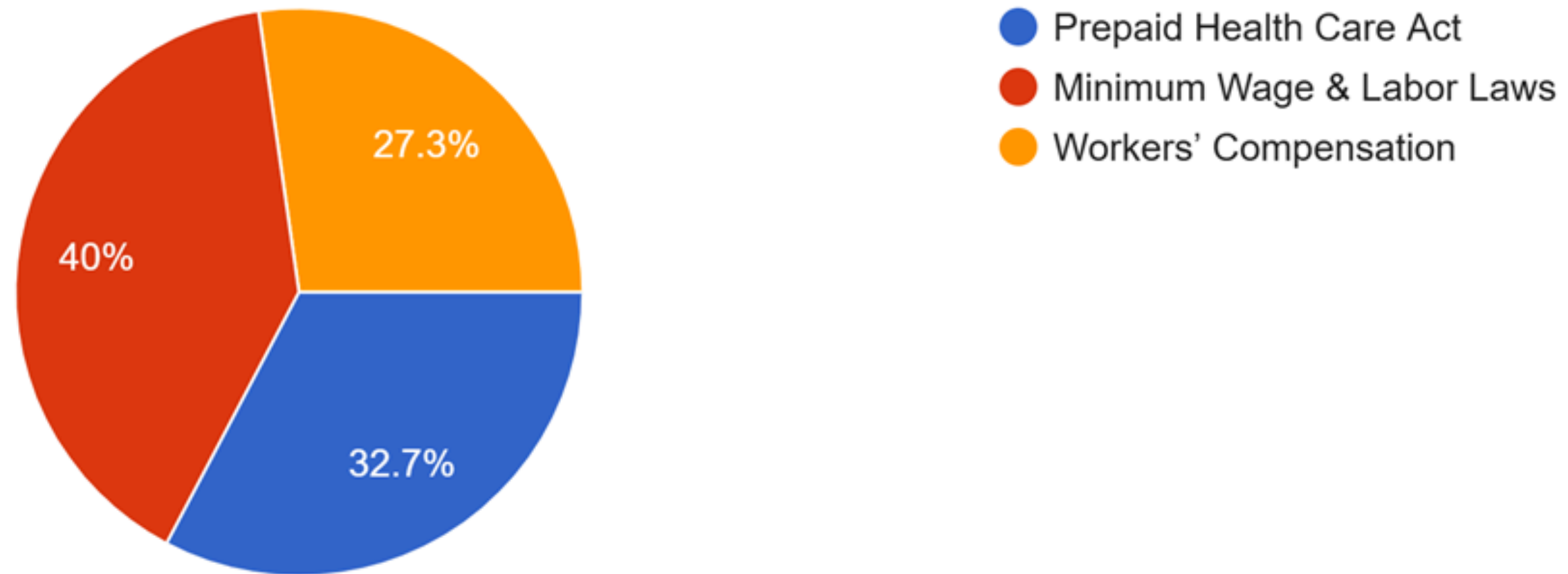
Please select your biggest concern regarding Permitting, Zoning & Business Approvals

55 responses



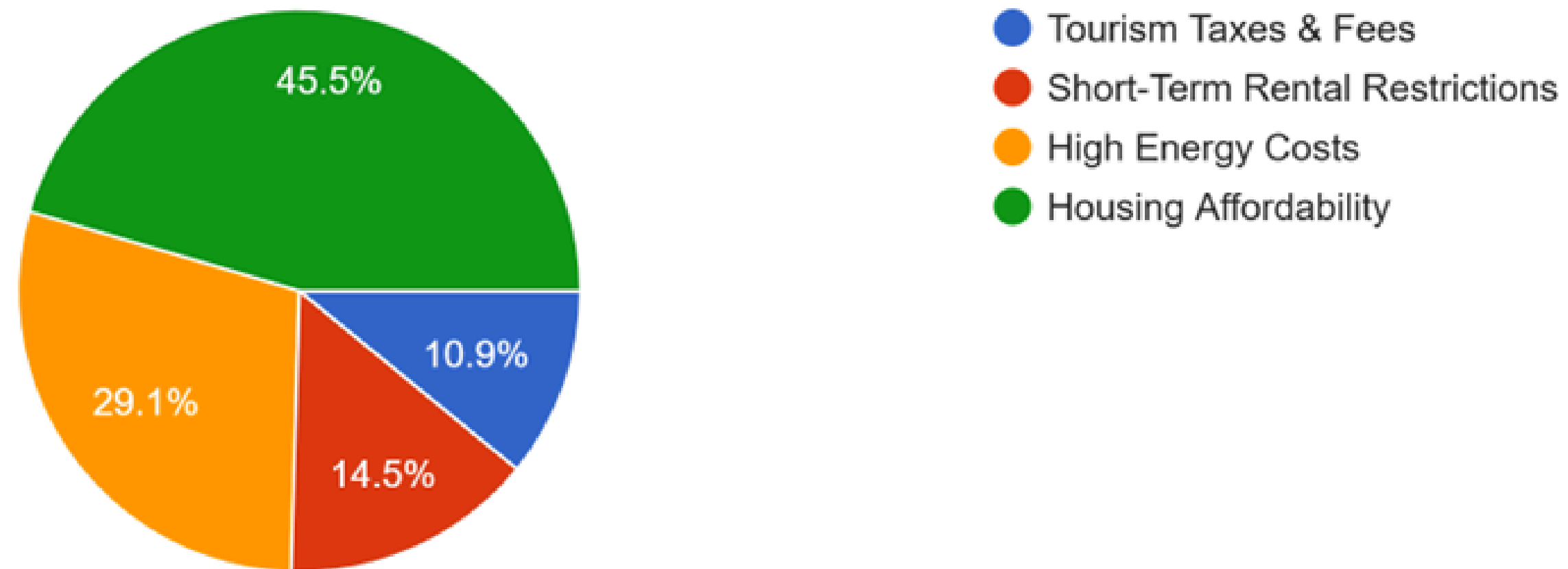
Please select your biggest concern regarding Labor & Employer Costs

55 responses



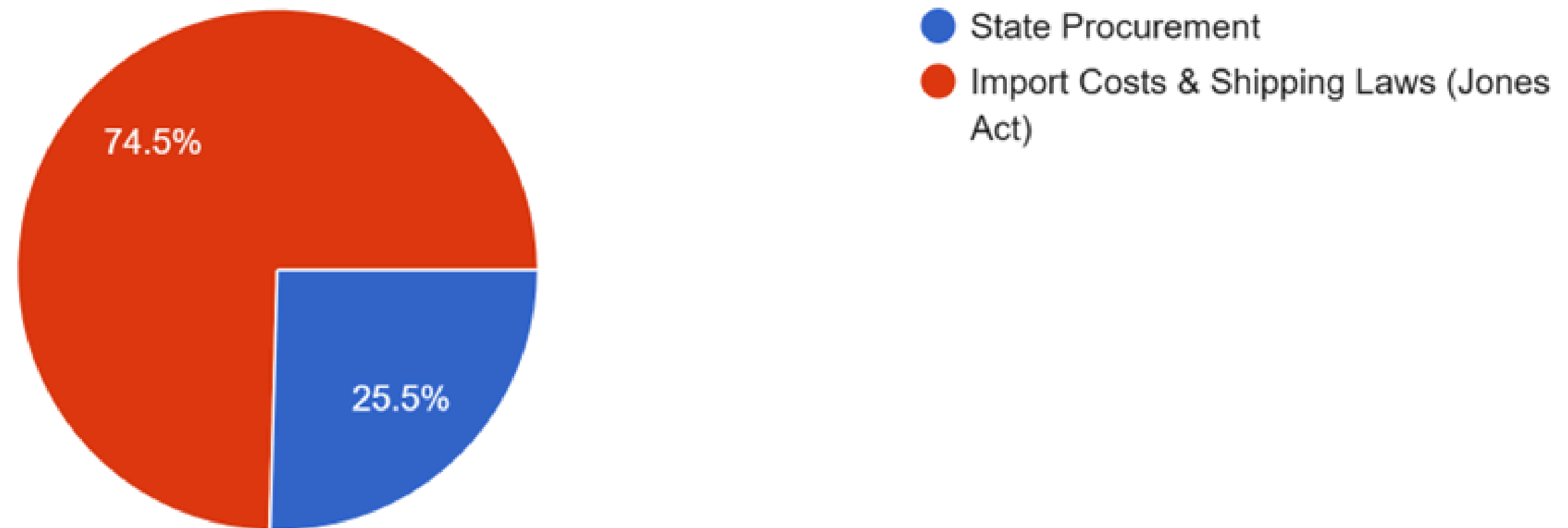
Please select your biggest concern regarding Industry-Specific Regulations

55 responses



Please select your biggest concern regarding Other Business Barriers

55 responses



OVERALL THEMES

- Across industries, there is a consistent desire to reduce bureaucratic delays (such as permitting and review processes) and to tackle economic pressures—whether through addressing tax burdens, interest rates, or labor costs.
- The solutions offered by respondents suggest that resolving these issues would not only alleviate current pain points but also create a more favorable environment for growth, innovation, and market stability.

GET Reductions

Take food/essentials out of GET.

Permitting

Shot clock on permitting (60 days)
- Support SB66: Requires counties to grant building permits within 60 days.

Review

Expense review during the next leg session, where is the spending going?

SOLUTIONS

Taxes

Taxes should be on net profits for businesses versus gross revenues.

Property Taxes

If property taxes are going to be increased, other taxes need to be decreased, or the education system should be considered (states with high property taxes have supreme public schools).

Income Taxes

Income under \$100k could be exempt from taxes, the cost of living is already high in Hawaii.

Building Codes

The pace of change in codes and the constant confusion of what codes are in affect is creating problems for design professionals and builders across the state. An every other code cycle should be adopted.

REFERENCE DATA REQUEST

- **Department of Taxation:** What's the net change going to be if GET was modified? Please put together a table showing different percentages – less revenue needs to be weighed with the spending to see how possible it is to reduce the taxes.



THANK YOU

The survey will remain available and quarterly updates with updated data will be provided.

Economic Revitalization Taskforce
Regulation Permitted Interaction Group

