



**Testimony of Mayor Richard T. Bissen, Jr.**  
County of Maui  
Before a joint hearing of the  
**Senate Committee on Ways and Means**  
And the **House Committee on Finance**  
Monday, January 22, 2024  
1:30 p.m.  
State Capitol Auditorium and Videoconference

**Introduction:**

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Senate Committee on Ways and Means.

Aloha Chair Yamashita, Vice Chair Kitagawa and Members of the House Committee on Finance.

**Opening Remarks**

Mahalo for the opportunity to present testimony before this joint committee at the start of the 2024 Legislative Session. I'd like to take a moment to introduce my Managing Director and who also leads the Office of Recovery, Josiah Nishita.

**Wildfire Recovery**



On August 8<sup>th</sup>, our island and community were forever changed by the devastation of the Maui Wildfires. As I reflect back over the last 6 months, I am so grateful for the continuous outpouring of support that we have received from across our pae 'āina and indeed, the world. From day one, Maui has truly felt the embrace of so many, including each of you, and your own communities.

I would also like to acknowledge the work of Speaker Saiki and many of you in establishing six interim working groups charged with evaluating the needs of Lahaina, specifically related to environment; food, water, and supplies; jobs and businesses; schools; shelters; and wildfire prevention.

As we move into the 2024 Legislative Session, I recognize there will be continued focus on Maui County. With that said, I want to acknowledge that while many things in Hawaii are important, few things are urgent. And I humbly stand before you today to express my plea for the prioritization of care for our survivors, and ask that we stand in unity until every survivor has a place to call home.

Right now, with 5,368 survivors still living in 32 hotels, we are pushing forward with an aggressive housing plan, in partnership with private, local, state and federal partners, to return our people to long term housing where they can begin to heal.

We also face the daunting task of rebuilding our beloved Lahaina town, and we will need your continued support in coming years to ensure this remains in the forefront of requests.

This year, our primary and **only** appropriation funding request is for West Maui Wildfire Recovery efforts. This funding is needed for immediate damage assessment and project planning to ensure resilient infrastructure is recovered and rebuilt.

Based on the preliminary analysis of the currently reported damage, we are anticipating approximately \$1 billion dollars in public assistance recovery costs. Considering FEMA will pay 90% of that cost, we are anticipating the county's 10% of that cost will be approximately \$95 million dollars.

We are assessing damage to our wastewater collection and treatment systems, water systems, and infrastructure needs. We are also supporting State and Federal partners with disaster debris removal, and the identification, design and construction of a permanent disposition site.

We have been coordinating an expedited building permit process for fire-impacted properties, with a focus on residents. We are in the process of drafting numerous amendments to local land use and development codes to assist in speeding the process of rebuilding.

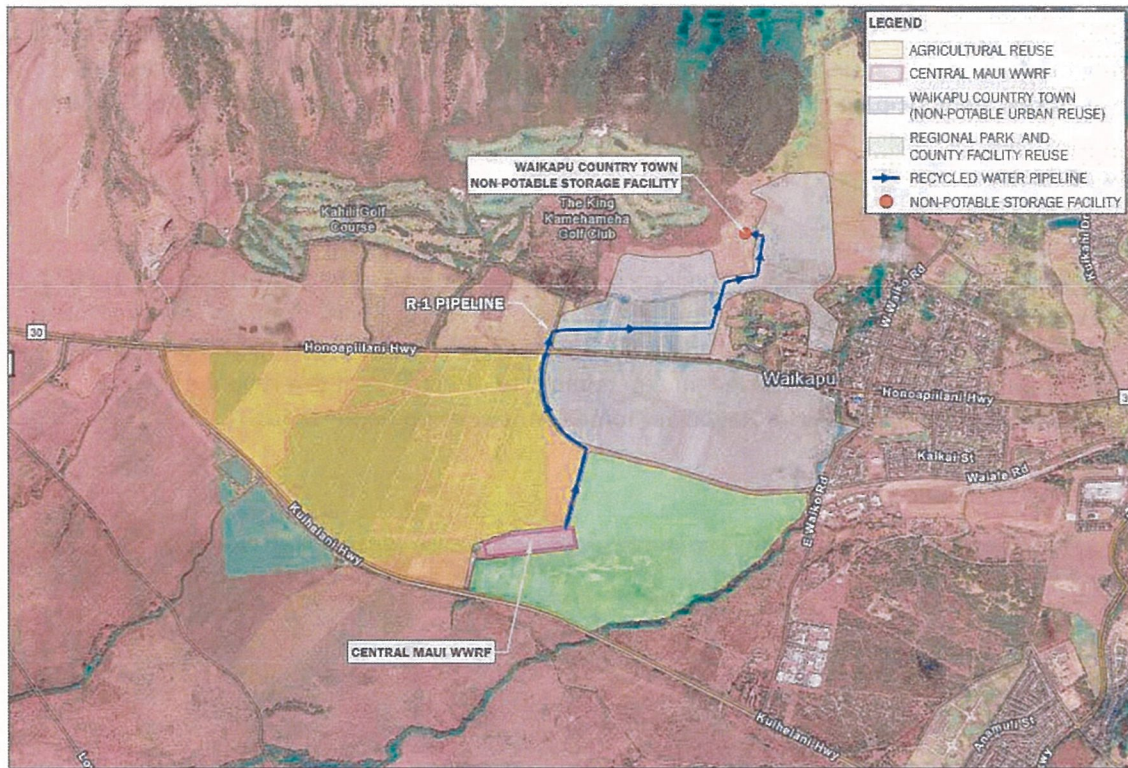
We are also moving forward with hazard mitigation efforts, including efforts to improve evacuation routes, watershed protection, and development of wastewater systems to eliminate the use of existing cesspools.

Moving forward, we have established our Office of Recovery, which will be tasked with management of recovery efforts for community planning, economy, health and social services, housing, infrastructure, and natural and cultural resources.

As we move into the planning phase of recovery efforts, our Community Planning Team has been working on establishing a public engagement strategy, documenting public sentiment, collecting feedback, and initiating public outreach -- all of which will contribute to the drafting of a Disaster Recovery Plan.

Recovery efforts will continue to be prioritized, as our efforts remain acutely focused on increasing housing inventory, mental health services, debris removal, assessment of utility and infrastructure needs, and community outreach and planning.

## Capital Improvement Program Projects



I'd like to move into our County's Capital Improvement Program (CIP) projects. The **Wastewater Reclamation Facility** project continues to move forward as we are in the process of working on permitting and design. We have received \$3.5 million for design, and spent roughly \$740,000 for the hydrogeological, air, geotechnical, and noise study. We anticipate requesting additional funding for the next phases in FY2026 or 2027.

The **North South Collector Road** project is in phase 1A, as design and environmental assessments will continue through 2024. Likewise, we will be seeking additional funding in FY2026.

The **Honoapiʻilani Highway Realignment** project also remains a high priority, and anticipated for funding requests in FY2027.

### General Fund Revenue

#### Real Property Tax:

Moving into our General Fund revenue, Maui County's real property tax revenue has continued to rise since 2012. In support of impacted property owners, we have provided real property tax relief for those who have had their structures destroyed or are unable to occupy their properties. To cover this anticipated loss in revenue, we are prepared to increase real property tax rates.

Furthermore, we have established a real property tax exemption for properties that rent their units to wildfire victims for at least a year. This projected revenue loss will be identified soon, and my administration intends to make real property tax rate adjustments to cover this revenue loss.

### Transient Accommodations Tax:

The County of Maui is grateful for the legislature's passage of a County Transient Accommodation's Tax. FY2023 brought Maui County approximately \$80 million, and while our tourism industry has declined due to the wildfires, we anticipate closing the current fiscal year at our budgeted amount of \$60 million.

### General Excise Tax:

In an effort to address our housing crisis, our administration introduced a General Excise Tax Surcharge, which was approved by the Maui County Council on July 19, 2023, and went into effect January 1, 2024. These funds will be utilized for housing infrastructure, including water projects, drainage, sewers, waste disposal and waste treatment systems. It will also include walking paths and sidewalks on or near a public school. Additionally, the council added an amendment to direct 20% of this revenue toward projects that support the Department of Hawaiian Home Lands develop homesteads.

### Haggai International Institute



Last year, \$45 million was allocated for the acquisition of Haggai International Institute. The acquisition is intended to provide preschool early education, teacher, and affordable workforce housing.

As you know the impact of the Maui wildfires has taken insurmountable focus of attention and resources. The Haggai facility provided critical housing for first responders through a very difficult time. American Red Cross continues to manage their operations, as well as house their staff and volunteers out of the Haggai facility, which has been crucial to emergency and recovery efforts.

HHFDC is currently in negotiations to purchase Haggai. County of Maui is in the process of finalizing the Memorandum of Agreement with HHFDC. The County remains committed to realizing this vital resource for our community.

### Closing

In closing, I would like to thank you for your continued support. While the needs of Maui County and the State reach far beyond the impact of the Lahaina wildfires, I must stress that the needs of Lahaina are like nothing we have ever experienced in our history. While the devastation is undeniable, the spirit of our people remains strong as evidenced by the tremendous turnout, support, and unity displayed this past Saturday in Lahaina, both on land and in the water. With your support, we will rebuild our Lahaina and Kula, and return our people home. On behalf of our grateful people, mahalo for your continued support and partnership.

