

STAND. COM. REP. NO. **885**

Honolulu, Hawaii

March 6, 2009

RE: H.B. No. 617

H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 617, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MASS TRANSIT ROUTE ECONOMIC ZONES,"

begs leave to report as follows:

The purpose of this bill is to examine the economic and human impacts any future mass transit system on the island of Oahu may have on communities along the chosen route by creating a task force to, among other things:

- (1) Examine the feasibility of establishing economic zones proximate to the route or routes of any future mass transit system on the island of Oahu, particularly in areas surrounding transit stops that are economically depressed;
- (2) Recommend parameters for the creation of mass transit route economic zones including, among other things, geographic criteria, business eligibility, and benefits and incentives such as tax credits;
- (3) Examine:
 - (A) The need for the exercise of eminent domain;



- (B) Potential jurisdictional conflicts between the State and the City and County of Honolulu; and
 - (C) The costs of implementing mass transit route economic zones;
- and
- (4) Submit a report of its findings and recommendations to the Legislature prior to the convening of the Regular Session of 2010.

The Hawaii Association of REALTORS® testified in support of this bill. The Department of Business, Economic Development, and Tourism testified in opposition to this measure. The Hawaii Housing Finance and Development Corporation and Department of Planning and Permitting of the City and County of Honolulu submitted comments.

Your Committee has amended this bill by changing its effective date to July 1, 2020, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 617, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 617, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



MARCUS R. OSHIRO, Chair



