
A BILL FOR AN ACT

RELATING TO ESTABLISHING A COUNTY INFRASTRUCTURE DEVELOPMENT
REVOLVING FUND.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the importance of
2 encouraging compact and sustainable development (i.e. using less
3 land for development) and discouraging urban sprawl are concerns
4 for both the State and the counties. These objectives not only
5 help to preserve scenic views and open space, but can be used to
6 protect watershed areas and important agricultural lands. There
7 may also be a cost reduction for constructing and maintaining
8 large scale infrastructure systems.

9 The legislature also finds that implementation of public
10 transit supports compact and sustainable development and is an
11 incentive for compact development near transit hubs. Further,
12 initial costs may be involved, due to required improvements to
13 existing infrastructure, for transit-oriented developments. The
14 legislature, therefore, recognizes that the State could play an
15 important role in supporting transit-oriented development, and
16 acknowledges its duty to assist the counties by ensuring



1 adequate financing resources to encourage compact/sustainable
2 development as well as adequate infrastructure.

3 Accordingly, the purpose of this Act is to create a "zero-
4 interest county infrastructure development revolving loan fund".

5 SECTION 2. Chapter 36, Hawaii Revised Statutes, is amended
6 by adding a new section to be appropriately designated and to
7 read as follows:

8 "§36- County infrastructure development revolving loan

9 fund. (a) There is established the county infrastructure
10 development revolving loan fund to be administered by the
11 director of finance, into which shall be deposited:

- 12 (1) Appropriations made by the legislature;
- 13 (2) Private contributions;
- 14 (3) Loan payments;
- 15 (4) Other returns; and
- 16 (5) Moneys from the federal government and other sources.

17 (b) An amount from the fund to be set by the director may
18 be used for administrative expenses incurred by the department
19 in administering the fund; provided that moneys in the fund may
20 not be used to finance day-to-day administrative expenses of
21 projects allotted fund moneys.

(c) The fund shall be used to provide no-interest loans to the counties for the pre-development or development of infrastructure projects to expedite the building of transit-oriented development, particularly those involving affordable housing. Permitted uses of the fund may include planning, design, land acquisition, cost of options, agreements of sale, or other infrastructure-related services or activities that may be provided in rules adopted by the department of finance pursuant to chapter 91. In determining which projects to fund, the director of finance shall give first priority to projects that increase infrastructure capacity on a regional or collector system level, as opposed to those that only support capacities for a specific, limited number of properties.

1 (d) The department of finance shall submit annual reports
2 to the legislature no later than twenty days prior to the
3 convening of each regular session, beginning with the 2012
4 regular session, describing the projects funded and the
5 department of finance's efforts to develop infrastructure
6 development projects.

7 (e) For purposes of this section, "infrastructure" means
8 any project that involves sewers, roads, drainage systems,
9 bridges, and water, including conduits, pumps, and treatment



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1 plants that are generally considered county responsibilities and
2 under county ownership."

3 SECTION 3. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$ or
5 so much thereof as may be necessary for fiscal year 2011-2012
6 and the same sum or so much thereof as may be necessary for
7 fiscal year 2012-2013 to be deposited into the county
8 infrastructure development revolving loan fund established under
9 section 36- , Hawaii Revised Statutes.

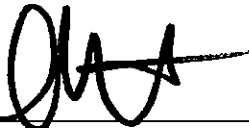

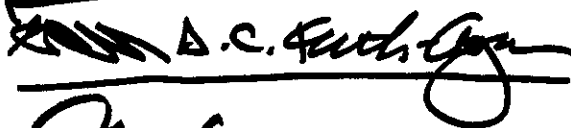

10 The sums appropriated shall be expended by the department
11 of finance for the purposes of this Act.

12 SECTION 4. New statutory material is underscored.

13 SECTION 5. This Act shall take effect on July 1, 2011.

14

INTRODUCED BY:

JAN 21 2011



Report Title:

County Infrastructure Development Revolving Loan Fund

Description:

Creates the county infrastructure development revolving loan fund within the department of budget and finance to provide no-interest loans to the counties for the pre-development or development of infrastructure projects to expedite the building of transit-oriented development, especially those involving affordable housing. Effective 07/01/2011.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

