

STAND. COM. REP. NO. 170

Honolulu, Hawaii

FEB 15 2011

RE: S.B. No. 141  
S.D. 1

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Public Safety, Government Operations, and Military Affairs, to which was referred S.B. No. 141 entitled:

"A BILL FOR AN ACT RELATING TO LAND-SECURED FINANCING,"

begs leave to report as follows:

The purpose and intent of this measure is to, among other things:

- (1) Enumerate the types of county services that may be provided within and financed by an Improvement District or Community Facilities District; and
- (2) Clarify the uses of improvement district assessments and community facilities district special taxes.

Your Committee received testimony in support of this measure from one county department.

The intent of your Committee is to expand the authority of counties to use land-based financing to support their operating costs due to new development in improvement districts and community facilities districts.

Your Committee finds that with budgets tightening, the counties are finding it more difficult to support their annual operating costs. In some jurisdictions, the use of land-secured financing has been used by various government agencies to fund infrastructure and other improvements. Your Committee further



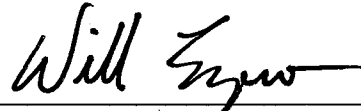
finds that land-secured financing provides an opportunity for the counties to support new development-related operating costs, such as police, fire protection, and maintenance services, in addition to special improvements and infrastructure.

Your Committee has amended this measure by:

- (1) Adding county maintenance of the capital improvements to be land-based financed;
- (2) Authorizing the counties to use up to five percent of the assessment or special tax to cover administrative expenses in creating and administering the district and the associated assessments, fees, and taxes; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Government Operations, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 141, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 141, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Public Safety,  
Government Operations, and  
Military Affairs,



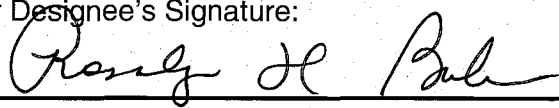
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WILL ESPERO, Chair



The Senate  
 Twenty-Sixth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Public Safety, Government Operations, and**  
**Military Affairs**  
**PGM**

Bill / Resolution No.:*	Committee Referral:	Date:
SB 141	PGM, WAM	2-12-2011
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____		
The Recommendation is:		
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310
<input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)
Nay	Excused	
ESPERO, Will (C)	✓	
KIDANI, Michelle N. (VC)		✓
BAKER, Rosalyn H.	✓	
RYAN, Pohai		✓
SLOM, Sam		✓
<b>TOTAL</b>	2	1
-	2	
Recommendation:		
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:		
		
Distribution:		
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency
		Goldenrod Committee File Copy

\*Only one measure per Record of Votes