

**HB 480
RELATING TO LAND USE**

**PAUL T. OSHIRO
MANAGER – GOVERNMENT RELATIONS
ALEXANDER & BALDWIN, INC.**

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Chair Evans and Members of the House Committee on Water & Land:

I am Paul Oshiro, testifying on behalf of Alexander & Baldwin, Inc. (A&B) on HB 480, “A BILL FOR AN ACT RELATING TO LAND USE.” We respectfully oppose this bill.

This bill requires the assessment of a surcharge on any land reclassified equal to the increase in the assessed value of the land. We understand that at present, any potential increase in land valuation resulting from reclassification of land by the Land Use Commission or by a County land use decision making authority should be reflected in real property tax assessment valuations and real property tax payments for the property. We believe that this bill may result in an additional cost in providing new homes for residents, commercial space for businesses, and other infrastructure improvements for the general public. This additional cost is likely to be passed on to residents and businesses in Hawaii in the form of higher costs to purchase or lease improved property and/or in the overall increase in the cost of goods and services.

Based on the aforementioned, we respectfully request that this bill be held in Committee. Thank you for the opportunity to testify.